By: Amy

<u>S.B. No.</u> 425

### A BILL TO BE ENTITLED

1	AN ACT
2	relating to subdivision platting requirements and assistance for
3	certain counties near an international border.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Sections 212.012(c), (e), and (f), Local
6	Government Code, are amended to read as follows:
7	(c) An entity described by Subsection (b) may serve or
8	connect land with water, sewer, electricity, gas, or other utility
9	service regardless of whether the entity is presented with or
10	otherwise holds a certificate applicable to the land issued under
11	Section 212.0115 if: /
12	(1) the land is covered by a development plat approved
13	under Subchapter B or under an ordinance or rule relating to the
14	development plat;
15	(2) the land was first served or connected with
16	service by an entity described by Subsection (b)(1), (b)(2), or
17	(b)(3) before September 1, 1987;
18	(3) the land was first served or connected with
19	service by an entity/described by Subsection $(b)(4)$ , $(b)(5)$ , or
20	(b)(6) before September 1, 1989; or
21	(4) the municipal authority responsible for approving
22	plats issues a certificate stating that:
23	(A) the land:

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(i) [before-September 1, 1995,] was sold or

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1 conveyed to the person requesting service by any means of
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- 2 conveyance, including a contract for deed or executory contract,
- 3 before:
- 4 (a) September 1, 1995, in a county
- 5 defined under Section 232.022(a)(1); or
- 6 (b) September 1, 2005, in a county
- 7 defined under Section 232.022(a)(2);
- 8 (ii) is located in a subdivision in which
- 9 the entity has previously provided service;
- 10 (iii) is located outside the limits of the
- 11 municipality;
- 12 (iv) is located in a county to which
- 13 Subchapter B, Chapter 232, applies; and
- 14 (v) is the site of construction of a
- 15 residence, evidenced by at least the existence of a completed
- 16 foundation, that was begun on or before:
- 17 <u>(a)</u> May 1, 1997, in a county defined
- 18 under Section 232.022(a)(1); or
- (b) September 1, 2005, in a county
- 20 defined under Section 232.022(a)(2); or
- 21 (B) the land was not subdivided after September
- 22 1, 1995, in a county defined under Section 232.022(a)(1), or
- 23 September 1, 2005, in a county defined under Section 232.022(a)(2),
- 24 and:
- 25 (i) water service is available within 750
- 26 feet of the subdivided land; or
- 27 (ii) water service is available more than

- 1 750 feet from the subdivided land and the extension of water service
- 2 to the land may be feasible, subject to a final determination by the
- 3 water service provider.
- 4 (e) A person requesting service may obtain a certificate
- 5 under Subsection (c)(4)(A) only if the person provides to the
- 6 municipal authority responsible for approving plats either:
- 7 (1) a copy of the means of conveyance or other
- 8 documents that show that the land was sold or conveyed to the person
- 9 requesting service before September 1, 1995, or before September 1,
- 10 2005, as applicable, and a notarized affidavit by that person that
- 11 states that construction of a residence on the land, evidenced by at
- 12 least the existence of a completed foundation, was begun on or
- 13 before May 1, 1997, or on or before September 1, 2005, as
- 14 applicable; or
- 15 (2) a notarized affidavit by the person requesting
- 16 service that states that the property was sold or conveyed to that
- 17 person before September 1, 1995, or before September 1, 2005, as
- 18 applicable, and that construction of a residence on the land,
- 19 evidenced by at least the existence of a completed foundation, was
- begun on or before May 1, 1997, or on or before September 1, 2005, as
- 21 <u>applicable</u>.
- 22 (f) A person requesting service may obtain a certificate
- 23 under Subsection (c)(4)(B) only if the person provides to the
- 24 municipal authority responsible for approving plats an affidavit
- 25 that states that the property was not sold or conveyed to that
- 26 person from a subdivider or the subdivider's agent after September
- 27 1, 1995, or after September 1, 2005, as applicable.

- SECTION 2. Section 232.022(a), Local Government Code, is
- 2 amended to read as follows:
- 3 (a) This subchapter applies only to:
- 4 (1) a county any part of which is located within 50
- 5 miles of an international border; or
- 6 <u>(2) a county:</u>
- 7 (A) any part of which is located within 150 miles
- 8 of an international border;
- 9 (B) that contains a municipality with
- 10 population of more than 250,000; and
- (C) to which Subdivision (1) does not apply.
- SECTION 3. The heading to Section 232.029, Local Government
- 13 Code, is amended to read as follows:
- Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50
- 15 MILES OF INTERNATIONAL BORDER.
- 16 SECTION 4. Section 232.029, Local Government Code, is
- 17 amended by relettering Subsection (a) as Subsection (a-1) and
- 18 adding a new Subsection (a) to read as follows:
- (a) This section applies only to a county defined under
- 20 Section 232.022(a)(1).
- 21 (a-1) [(a)] Except as provided by Subsection (c) or Section
- 22 232.037(c), a utility may not serve or connect any subdivided land
- 23 with water or sewer services unless the utility receives a
- 24 certificate issued by the commissioners court under Section
- 25 232.028(a) or receives a determination from the commissioners court
- under Section 232.028(b)(1) that the plat has been reviewed and
- 27 approved by the commissioners court.

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1 SECTION 5. Subchapter B, Chapter 232, Local Government
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- 2 Code, is amended by adding Section 232.0291 to read as follows:
- 3 Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES
- 4 WITHIN 150 MILES OF INTERNATIONAL BORDER. (a) This section applies
- 5 only to a county defined under Section 232.022(a)(2).
- 6 (b) Except as provided by Subsection (d) or Section
- 7 232.037(c), a utility may not serve or connect any subdivided land
- 8 with water or sewer services unless the utility receives a
- 9 certificate issued by the commissioners court under Section
- 10 232.028(a) or receives a determination from the commissioners court
- 11 under Section 232.028(b)(1) that the plat has been reviewed and
- 12 approved by the commissioners court.
- (c) Except as provided by Subsection (d) or Section
- 14 232.037(c), a utility may not serve or connect any subdivided land
- 15 with electricity or gas unless the entity receives a determination
- 16 from the county commissioners court under Section 232.028(b)(2)
- 17 that adequate water and sewer services have been installed to
- 18 service the subdivision.
- 19 <u>(d) An electric, gas, water, or sewer service utility may</u>
- 20 serve or connect subdivided land with water, sewer, electricity,
- 21 gas, or other utility service regardless of whether the utility
- 22 receives a certificate issued by the commissioners court under
- 23 Section 232.028(a) or receives a determination from the
- 24 commissioners court under Section 232.028(b) if the utility is
- 25 provided with a certificate issued by the commissioners court that
- 26 states that:
- 27 <u>(1) the subdivided land:</u>

2	service by any means of conveyance, including a contract for deed or
3	executory contract before September 1, 2005;
4	(B) is located in a subdivision in which the
5	utility has previously provided service; and
6	(C) is the site of construction of a residence,
7	evidenced by at least the existence of a completed foundation, that
8	was begun on or before September 1, 2005; or
9	(2) the subdivided land was not subdivided after
10	September 1, 2005, and:
11	(A) water service is available within 750 feet of
12	the subdivided land; or
13	(B) water service is available more than 750 feet
14	from the subdivided land and the extension of water service to the
15	land may be feasible, subject to a final determination by the water
16	service provider.
17	(e) A utility may provide utility service to subdivided land
18	described by Subsection (d)(1) only if the person requesting
19	service:
20	(1) is not the land's subdivider or the subdivider's
21	agent; and
22	(2) provides to the utility a certificate described by
23	Subsection (d)(1).
24	(f) A person requesting service may obtain a certificate
25	under Subsection (d)(1) only if the person provides to the
26	<pre>commissioners court either:</pre>
27	(1) documentation containing.

(A) was sold or conveyed to the person requesting

1

1	(A) a copy of the means of conveyance or other
2	documents that show that the land was sold or conveyed to the person
3	requesting service before September 1, 2005; and
4	(B) a notarized affidavit by that person that
5	states that construction of a residence on the land, evidenced by at
6	least the existence of a completed foundation, was begun on or
7	before September 1, 2005; or
8	(2) a notarized affidavit by the person requesting
9	service that states that:
10	(A) the property was sold or conveyed to that
11	person before September 1, 2005; and
12	(B) construction of a residence on the land,
13	evidenced by at least the existence of a completed foundation, was

(g) A person requesting service may obtain a certificate
under Subsection (d)(2) only if the person provides to the
commissioners court an affidavit that states that the property was
not sold or conveyed to that person from a subdivider or the
subdivider's agent after September 1, 2005.

begun on or before September 1, 2005.

- 20 (h) On request, the commissioners court shall provide to the
  21 attorney general and any appropriate local, county, or state law
  22 enforcement official a copy of any document on which the
  23 commissioners court relied in determining the legality of providing
  24 service.
- 25 <u>(i) This section may not be construed to abrogate any civil</u>
  26 <u>or criminal proceeding or prosecution or to waive any penalty</u>
  27 <u>against a subdivider for a violation of a state or local law,</u>

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- 1 regardless of the date on which the violation occurred.
- 2 (j) The prohibition established by this section does not
- 3 prohibit an electric or gas utility from providing electric or gas
- 4 utility connection or service to a lot:
- 5 (1) sold, conveyed, or purchased through a contract
- 6 for deed or executory contract or other device by a subdivider
- 7 before September 1, 2005;
- 8 (2) located within a subdivision where the utility has
- 9 previously established service; and
- 10 (3) subdivided by a plat approved before September 1,
- 11 1989.
- (k) In this section, "foundation" means the lowest division
- of a residence, usually consisting of a masonry slab or a pier and
- 14 beam structure, that is partly or wholly below the surface of the
- 15 ground and on which the residential structure rests.
- 16 SECTION 6. Section 232.031, Local Government Code, is
- 17 amended by amending Subsection (a) and adding Subsection (d) to
- 18 read as follows:
- 19 (a) Except as provided by Subsection (d), a [A] subdivider
- 20 may not sell or lease land in a subdivision first platted or
- 21 replatted after July 1, 1995, unless the subdivision plat is
- 22 approved by the commissioners court in accordance with Section
- 23 232.024.
- 24 (d) In a county defined under Section 232.022(a)(2), a
- 25 <u>subdivider may not sell or lease land in a subdivision first platted</u>
- or replatted after September 1, 2005, unless the subdivision plat
- 27 is approved by the commissioners court in accordance with Section

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1 232.024.
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- 2 SECTION 7. Section 232.038, Local Government Code, is
- 3 amended to read as follows:
- 4 Sec. 232.038. SUIT BY PRIVATE PERSON IN ECONOMICALLY
- 5 DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A]
- 6 person who has purchased or is purchasing a lot after July 1, 1995,
- 7 in a subdivision for residential purposes that does not have water
- 8 and sewer services as required by this subchapter and is located in
- 9 an economically distressed area, as defined by Section 17.921,
- 10 Water Code, from a subdivider, may bring suit in the district court
- in which the property is located or in a district court in Travis
- 12 County to:
- 13 (1) declare the sale of the property void and require
- 14 the subdivider to return the purchase price of the property; and
- 15 (2) recover from the subdivider:
- 16 (A) the market value of any permanent
- improvements the person placed on the property;
- 18 (B) actual expenses incurred as a direct result
- of the failure to provide adequate water and sewer facilities;
- 20 (C) court costs; and
- 21 (D) reasonable attorney's fees.
- (b) If the lot is located in a county defined under Section
- 23 232.022(a)(2), a person may only bring suit under Subsection (a) if
- 24 the person purchased or is purchasing the lot after September 1,
- 25 2005.
- SECTION 8. Section 232.040(e), Local Government Code, is
- 27 amended to read as follows:

- 1 (e) Existing utility services to a subdivision that must be
- 2 platted or replatted under this section may not be terminated under
- 3 Section 232.029 or 232.0291.
- 4 SECTION 9. Section 232.043(b), Local Government Code, is
- 5 amended to read as follows:
- 6 (b) If the commissioners court makes a written finding that
- 7 the subdivider who created the unplatted subdivision no longer owns
- 8 property in the subdivision, the commissioners court may grant a
- 9 delay or variance under this section only if:
- 10 (1) a majority of the lots in the subdivision were sold
- 11 before:
- (A) September 1, 1995, in a county defined under
- 13 Section 232.022(a)(1); or
- 14 (B) September 1, 2005, in a county defined under
- 15 Section 232.022(a)(2);
- 16 (2) a majority of the resident purchasers in the
- 17 subdivision sign a petition supporting the delay or variance;
- 18 (3) the person requesting the delay or variance
- 19 submits to the commissioners court:
- 20 (A) a description of the water and sewer service
- 21 facilities that will be constructed or installed to service the
- 22 subdivision;
- 23 (B) a statement specifying the date by which the
- 24 water and sewer service facilities will be fully operational; and
- 25 (C) a statement signed by an engineer licensed in
- 26 this state certifying that the plans for the water and sewer
- 27 facilities meet the minimum state standards;

- the commissioners court finds that the unplatted 1 (4)2 subdivision at the time the delay or variance is requested is developed in a manner and to an extent that compliance with specific 3 4 platting requirements is impractical or contrary to the health or safety of the residents of the subdivision; and 5 6 (5) the subdivider who created the
- 6 (5) the subdivider who created the unplatted
  7 subdivision has not violated local law, federal law, or state law,
  8 excluding this chapter, in subdividing the land for which the delay
  9 or variance is requested, if the subdivider is the person
  10 requesting the delay or variance.
- 11 SECTION 10. Section 232.106, Local Government Code, is 12 amended to read as follows:
- Sec. 232.106. CONNECTION OF UTILITIES. By an order adopted and entered in the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the county, the commissioners court may impose the requirements of Section 232.029 or 232.0291.
- SECTION 11. Section 775.001(2), Government Code, is amended to read as follows:
- 20 (2) "Colonia" means a geographic area that:
- 21 (A) is an economically distressed area as defined 22 by Section 17.921, Water Code; and
- 23 (B) is:
- 24 <u>(i)</u> located in a county any part of which is
  25 within 50 miles of an international border; or
- 26 (ii) located in a county:
- 27 (a) any part of which is within 150

- 1 miles of an international border; and
- 2 (b) that contains a municipality with
- 3 a population of more than 250,000.
- 4 SECTION 12. Section 775.003, Government Code, is amended to
- 5 read as follows:
- 6 Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. The colonia
- 7 initiatives coordinator may appoint a colonia ombudsman in:
- 8 (1) each of the six border counties that the
- 9 coordinator determines have the largest colonia populations; and
- 10 (2) each additional county any part of which is within
- 11 150 miles of an international border and that contains a
- municipality with a population of more than 250,000.
- SECTION 13. Section 37.153, Utilities Code, is amended to
- 14 read as follows:
- Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate
- 16 holder shall refuse to serve a customer in the holder's
- 17 certificated area if the holder is prohibited from providing the
- 18 service under Section 212.012, [ex] 232.029, or 232.0291, Local
- 19 Government Code.
- SECTION 14. Section 54.254, Utilities Code, is amended to
- 21 read as follows:
- Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a
- 23 certificate of convenience and necessity, a certificate of
- 24 operating authority, or a service provider certificate of operating
- 25 authority shall refuse to serve a customer in the holder's
- 26 certificated area if the holder is prohibited from providing the
- 27 service under Section 212.012, [ex] 232.029, or 232.0291, Local

- 1 Government Code.
- 2 SECTION 15. Section 17.923, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE.
- 5 To be eligible for financial assistance under this subchapter, a
- 6 county:
- 7 (1) must have a per capita income that averaged 25
- 8 percent below the state average for the most recent three
- 9 consecutive years for which statistics are available and an
- 10 unemployment rate that averaged 25 percent above the state average
- 11 for the most recent three consecutive years for which statistics
- 12 are available; [ox]
- 13 (2) must be located adjacent to an international
- 14 border; or
- 15 (3) must be located in whole or in part within 150
- 16 miles of an international border and contain a municipality with a
- population of more than 250,000.
- SECTION 16. This Act takes effect September 1, 2005.

#### **BILL ANALYSIS**

Senate Research Center 79R4034 QS-D

S.B. 425 By: Hinojosa Intergovernmental Relations 3/7/2005 As Filed

#### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Current law regulating colonias is only applicable to counties within 50 miles of the border. As proposed, S.B. 425 allows a county that is located within 150 miles of an international border and that contains a city with a population of more than 250,000 to:

- (1) prevent future substandard housing from springing up;
- (2) receive the assistance of a colonia ombudsman; and
- (3) be eligible for EDAP (economically distressed areas program) funds from the state. S.B. 425 gives an affected county the power to approve plats in unincorporated areas of the county.

This power allows a county to prevent unscrupulous developers from taking advantage of homeowners who are often left without paved roads or basic services such as running water, sewer lines, or electricity. SB. 425 amends Subchapter B, Chapter 232, Local Government Code, which was passed in the mid-1990s and gave border counties the power to enforce minimum standards for solid waste, water, and waste water services.

#### **RULEMAKING AUTHORITY**

This bill does not expressly grant additional rulemaking authority to any state officer, institution, or agency.

#### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 212.012(c), (e), and (f), Local Government Code, as follows:

- (c) Authorize an entity described by Subsection (b) to serve or connect land with water, sewer, electricity, gas, or other utility service regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under Section 212.0115 if the municipal authority responsible for approving plats issues a certificate stating that the land was sold or conveyed to the person requesting service by any means of conveyance, including a contract for deed or executory contract, before September 1, 1995, in a county defined under Section 232.022(a)(1); or September 1, 2005, in a county defined under Section 232.022(a)(2). Adds provisions for actions taken on or before May 1, 1997 by counties defined under Section 232.022(a)(2).
- (e) Make conforming and nonsubstantive changes.
- (f) Make conforming and nonsubstantive changes.

SECTION 2. Amends Section 232.022(a), Local Government, to provide that this subchapter is applicable to a county that meets certain requirements.

SECTION 3. Amends the heading to Section 232.029, Local Government Code, to read as follows:

Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50 MILES OF INTERNATIONAL BORDER.

SECTION 4. Amends Section 232.029, Local Government Code, by relettering Subsection (a) as Subsection (a-1) and adding a new Subsection (a) to provide that this section only applies to a county defined under Section 232.022(a)(1).

SECTION 5. Amends Subchapter B, Chapter 232, Local Government Code, by adding Section 232.0291, to read as follows:

Sec. 2320291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES WITHIN 150 MILES OF INTERNATIONAL BORDER. (a) Provides that this section applies only to a county defined under Section 232.022(a)(2).

- (b) Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), from serving or connecting any subdivided land with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b)(1) that the plat has been reviewed and approved by the commissioners court.
- (c) Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), from serving or connecting any subdivided land with electricity or gas unless the entity receives a determination from the county commissioners court under Section 232.028(b)(2) that adequate water and sewer services have been installed to service the subdivision.
- (d) Authorizes an electric, gas, water, or sewer service utility to serve or connect subdivided land with water, sewer, electricity, gas, or other utility service regardless of whether the utility receives a certificate issued by the commissioners court under Section 232.028(b), if the utility is provided with a certificate issued by the commissioners court that meets certain requirements.
- (e) Authorizes a utility to provide service to subdivided land described by Subsection (d)(1) only if the person requesting the service meets certain requirements.
- (f) Provides that a person requesting service may obtain a certificate under Subsection (d)(1) only if the person provides to the commissioners court certain documentation.
- (g) Provides that a person requesting service may obtain a certificate under Subsection (d)(2) only if the person provides to the commissioners court an affidavit that states that property was not sold or conveyed to that person from a subdivider or the subdivider's agent after September 1, 2005.
- (h) Requires the commissioners court, on request, to provide to the attorney general and any appropriate local, county, or state law enforcement official a copy of any document on which the commissioners court relied in determining the legality of providing service.
- (i) Prohibits this section from being construed to abrogate any civil or criminal proceeding or prosecution or to waive any penalty against a subdivider for a violation of a state or local law, regardless of the date on which the violation was committed.
- (j) Provides that the prohibition established by this section does not prohibit an electric or gas utility from providing electric or gas utility connection or service to a lot that meets certain requirements.
- (j) Defines "foundation."

SECTION 6. Amends Section 232.031, Local Government Code, by amending Subsection (a) to make an exception as provided by Subsection (d) and adding Subsection (d), as follows:

- (d) Prohibits a subdivider, in a county defined under Section 232.022(a)(2), from selling or leasing land in a subdivision first platted or replatted after September 1, 2005, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.024
- SECTION 7. Amends Section 232.038, Local Government Code, to add an exception as provided by Subsection (b) and to authorize a person, if the lot is located in a county defined under Section 232.022(a)(2), to only bring suit under Subsection (a) if the person purchased or is purchasing the lot after September 1, 2005.
- SECTION 8. Amends Section 232.040(e), Local Government Code, to provide that an existing utility that must be platted or replatted under this section may not be terminated under Section 232.0291.
- SECTION 9. Amends Section 232.043(b), Local Government Code, to authorize the commissioners court, if the commissioners court makes a written finding that the subdivider who created the unplatted subdivision no longer owns property in the subdivision, to grant a delay or variance under this section only if a majority of lots in the subdivision were sold before September 1, 1995, in a county defined under Section 232.022(a)(1) or September 1, 2005, in a county defined under Section 232.022(a)(2).
- SECTION 10. Amends Section 232.106, Local Government Code, to authorize the commissioners court to, by an adopted order and entered into the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the county, impose the requirements of Section 232.0291.
- SECTION 11. Amends Section 775.001(2), Government Code, to redefine "colonia."
- SECTION 12. Amends Section 775.003, Government Code, to authorize the colonia initiatives coordinator to appoint a colonia ombudsman in each additional county any part of which is within 150 miles of an international border and that contains a municipality with a population of more than 250,000.
- SECTION 13, Amends Section 37.153, Utilities Code, to require a certificate holder to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.
- SECTION 14. Amends Section 54.254, Utilities Code, to require a holder of a certificate of conveyance and necessity, a certificate of operating authority, or a service provider certificate of operating authority, to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.
- SECTION 15. Amends Section 17.923, Water Code, to require that to be eligible for financial assistance under this subchapter a county must be located in whole or in part within 150 miles of an international border and contain a municipality with a population of more than 250,000.

SECTION 16. Effective date: September 1, 2005.

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1-1
                                                                            S.B. No. 425
               Hinojosa
        By:
        (In the Senate - Filed February 9, 2005; February 15, 2005, read first time and referred to Committee on Intergovernmental Relations; April 12, 2005, reported adversely, with favorable Committee Substitute by the following vote: Yeas 5, Nays 0;
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        April 12, 2005, sent to printer.)
         COMMITTEE SUBSTITUTE FOR S.B. No. 425
 1-7
                                                                           By: Gallegos
                                     A BILL TO BE ENTITLED
 1-8
 1-9
                                              AN ACT
        relating to subdivision platting requirements and assistance for certain counties near an international border.
1-10
1-11
1-12
                BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
        SECTION 1. Subsections (c), (e), and (f), Section 212.012, Local Government Code, are amended to read as follows:
1-13
1-14
        (c) An entity described by Subsection (b) may serve or connect land with water, sewer, electricity, gas, or other utility service regardless of whether the entity is presented with or
1-15
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         otherwise holds a certificate applicable to the land issued under
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         Section 212.0115 if:
                       (1) the land is covered by a development plat approved
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        under Subchapter B or under an ordinance or rule relating to the
1-21
1-22
        development plat;
1-23
                       (2) the land was first served or connected with
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         service by an entity described by Subsection (b)(1), (b)(2), or
        (b)(3) before September 1, 1987;
(3) the land was first served or connected with service by an entity described by Subsection (b)(4), (b)(5), or
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1-26
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1-28
         (b)(6) before September 1, 1989; or
1 - 29
                       (4)
                             the municipal authority responsible for approving
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        plats issues a certificate stating that:
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                              (A)
                                    the land:
        (i) [before September 1, 1995,] was sold or conveyed to the person requesting service by any means of
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1-33
1 - 34
         conveyance, including a contract for deed or executory contract,
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        before:
                                                 September 1, 1995, in a county
1-36
                                           (a)
1-37
        defined under Section 232.022(a)(1); or
                                           (b)
1-38
                                                 September 1, 2005, in a county
        defined under Section 232.022(a)(2);
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                                     (ii) is located in a subdivision in which
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         the entity has previously provided service;
                                     (iii) is located outside the limits of the
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        municipality;
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                                                             in a county to
                                     (iv)
                                           is
                                                located
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         Subchapter B, Chapter 232, applies; and
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                                     (v) is the site of
                                                                  construction
                                                                                     of
        residence, evidenced by at least the existence of a completed foundation, that was begun on or before:
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                                           <u>(</u>a)
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                                                 May 1, 1997, in a county defined
        under Section 232.022(a)(1); or
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                                            (b)
                                                 September 1, 2005, in a county
        defined under Section 232.022(a)(2); or
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                              (B) the land was not subdivided after September
                             county defined under Section 232.022(a)(1),
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         1, 1995,
                      in
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         September 1, 2005, in a county defined under Section 232.022(a)(2),
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         and:
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                                     (i)
                                          water service is available within 750
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        feet of the subdivided land; or
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                                           water service is available more than
                                     (ii)
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750 feet from the subdivided land and the extension of water service

to the land may be feasible, subject to a final determination by the

A person requesting service may obtain a certificate

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water service provider.

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under Subsection (c)(4)(A) only if the person provides to the municipal authority responsible for approving plats either:

- (1) a copy of the means of conveyance or other documents that show that the land was sold or conveyed to the person requesting service before September 1, 1995, or before September 1, 2005, as applicable, and a notarized affidavit by that person that states that construction of a residence on the land, evidenced by at least the existence of a completed foundation, was begun on or 1997, or on or before September 1, 2005, as before May 1, applicable; or
- a notarized affidavit by the person requesting (2) service that states that the property was sold or conveyed to that person before September 1, 1995, or before September 1, 2005, as applicable, and that construction of a residence on the land, evidenced by at least the existence of a completed foundation, was begun on or before May 1, 1997, or on or before September 1, 2005, as applicable.
- (f) A person requesting service may obtain a certificate under Subsection (c)(4)(B) only if the person provides to the municipal authority responsible for approving plats an affidavit that states that the property was not sold or conveyed to that person from a subdivider or the subdivider's agent after September

5, or after September 1, 2005, as applicable. SECTION 2. Section 232.022, Local Government Code, amended by amending Subsections (a) and (c) and adding Subsection (c-1) to read as follows:

(a) This subchapter applies only to:

(1) a county any part of which is located within 50 miles of an international border; or

<u>(2</u>) a county:

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(A) any part of which is located within 100 miles of an international border;

(B) that contains the majority of the area of a municipality with a population of more than 250,000; and (C) to which Subdivision (1) does not apply.

- (c) Except as provided by Subsection (c-1), for [For] purposes of this section, land is considered to be in the jurisdiction of a county if the land is located in the county and for outside the corporate limits of municipalities.
- (c-1) Land in a municipality's extraterritorial jurisdiction is not considered to be in the jurisdiction of a county for purposes of this section if the municipality and the county have entered into a written agreement under Section 242.001 that authorizes the municipality to regulate subdivision plats and approve related permits in the municipality's extraterritorial jurisdiction.

SECTION 3. The heading to Section 232.029, Local Government Code, is amended to read as follows:

Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50 MILES OF INTERNATIONAL BORDER.

SECTION 4. Section 232.029, Local Government amended by relettering Subsection (a) as Subsection (a-1) and adding a new Subsection (a) to read as follows:

(a) This section applies only to a county defined under

Section 232.022(a)(1).

(a-1) Except as provided by Subsection (c) or Section 232.037(c), a utility may not serve or connect any subdivided land with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b)(1) that the plat has been reviewed and approved by the commissioners court.

SECTION 5. Subchapter B, Chapter 232, Local Governode, is amended by adding Section 232.0291 to read as follows: Government

Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) This section

applies only to a county defined under Section 232.022(a)(2).

(b) Except as provided by Subsection (d) or S Section 232.037(c), a utility may not serve or connect any subdivided land

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sewer services unless the with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b)(1) that the plat has been reviewed and approved by the commissioners court.

Except as provided by Subsection (d) or Section 232.037(c), a utility may not serve or connect any subdivided land with electricity or gas unless the entity receives a determination from the county commissioners court under Section 232.028(b)(2) that adequate water and sewer services have been installed to service the subdivision.

(d) An electric, gas, water, or sewer service utility may serve or connect subdivided land with water, sewer, electricity, or other utility service regardless of whether the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b) if the utility is provided with a certificate issued by the commissioners court that states that:

the subdivided land: (1)

(A) was sold or conveyed to the person requesting service by any means of conveyance, including a contract for deed or executory contract before September 1, 2005;

(B) is located in a subdivision in which the

utility has previously provided service; and

(C) is the site of construction of a residence, evidenced by at least the existence of a completed foundation, that was begun on or before September 1, 2005; or

(2) the subdivided land was not subdivided after

September 1, 2005, and:

(A) water service is available within 750 feet of

the subdivided land; or

(B) water service is available more than 750 feet from the subdivided land and the extension of water service to the land may be feasible, subject to a final determination by the water service provider.

(e) A utility may provide utility service to subdivided land described by Subsection (d)(1) only if the person requesting

service:

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(1) is not the land's subdivider or the subdivider's agent; and

(2) provides to the utility a certificate described by Subsection (d)(1).

(f) requesting service may obtain a certificate A person Subsection (d)(1) only if the person provides to the under commissioners court either:

(1) documentation containing:

(A) a copy of the means of conveyance or other documents that show that the land was sold or conveyed to the person requesting service before September 1, 2005; and

(B) a notarized affidavit by that person that

states that construction of a residence on the land, evidenced by at least the existence of a completed foundation, was begun on or before September 1, 2005; or (2) a notarized affidavit by the person requesting

service that states that:

(A) the property was sold or conveyed to that

person before September 1, 2005; and
(B) construction of a residence on the land, evidenced by at least the existence of a completed foundation, was

begun on or before September 1, 2005.

(g) A person requesting service may obtain a certificate under Subsection (d)(2) only if the person provides to the commissioners court an affidavit that states that the property was not sold or conveyed to that person from a subdivider the subdivider's agent after September 1, 2005.

(h) On request, the commissioners court shall provide to the

attorney general and any appropriate local, county, or state law enforcement official a copy of any document on which the

C.S.S.B. No. 425

commissioners court relied in determining the legality of providing service.

(i) This section may not be construed to abrogate any civil or criminal proceeding or prosecution or to waive any penalty against a subdivider for a violation of a state or local law, regardless of the date on which the violation occurred.

regardless of the date on which the violation occurred.

(j) The prohibition established by this section does not prohibit an electric or gas utility from providing electric or gas

utility connection or service to a lot:

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(1) sold, conveyed, or purchased through a contract for deed or executory contract or other device by a subdivider before September 1, 2005;

before September 1, 2005;
(2) located within a subdivision where the utility has

previously established service; and

(3) subdivided by a plat approved before September 1, 1989.

(k) In this section, "foundation" means the lowest division of a residence, usually consisting of a masonry slab or a pier and beam structure, that is partly or wholly below the surface of the ground and on which the residential structure rests.

SECTION 6. Section 232.031, Local Government Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

- (a) Except as provided by Subsection (d), a [A] subdivider may not sell or lease land in a subdivision first platted or replatted after July 1, 1995, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.024.
- (d) In a county defined under Section 232.022(a)(2), a subdivider may not sell or lease land in a subdivision first platted or replatted after September 1, 2005, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.024.

SECTION 7. Section 232.038, Local Government Code, is amended to read as follows:

Sec. 232.038. SUIT BY PRIVATE PERSON IN ECONOMICALLY DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A] person who has purchased or is purchasing a lot after July 1, 1995, in a subdivision for residential purposes that does not have water and sewer services as required by this subchapter and is located in an economically distressed area, as defined by Section 17.921, Water Code, from a subdivider, may bring suit in the district court in which the property is located or in a district court in Travis County to:

- (1) declare the sale of the property void and require the subdivider to return the purchase price of the property; and
  - (2) recover from the subdivider:

(A) the market value of any permanent improvements the person placed on the property;

(B) actual expenses incurred as a direct result of the failure to provide adequate water and sewer facilities;

(C) court costs; and

(D) reasonable attorney's fees.

(b) If the lot is located in a county defined under Section 232.022(a)(2), a person may only bring suit under Subsection (a) if the person purchased or is purchasing the lot after September 1, 2005.

SECTION 8. Subsection (e), Section 232.040, Local Government Code, is amended to read as follows:

(e) Existing utility services to a subdivision that must be platted or replatted under this section may not be terminated under Section 232.029 or 232.0291.

SECTION 9. Subsection (b), Section 232.043, Local Government Code, is amended to read as follows:

(b) If the commissioners court makes a written finding that the subdivider who created the unplatted subdivision no longer owns property in the subdivision, the commissioners court may grant a delay or variance under this section only if:

(1) a majority of the lots in the subdivision were sold

before:

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(A) September 1, 1995, in a county defined under Section 232.022(a)(1); or

September 1, 2005, in a county defined under (B)

Section 232.022(a)(2);

a majority of the resident purchasers in the subdivision sign a petition supporting the delay or variance;

(3) the person requesting the delay or variance submits to the commissioners court:

(A) a description of the water and sewer service facilities that will be constructed or installed to service the subdivision;

a statement specifying the date by which the (B) water and sewer service facilities will be fully operational; and

(C) a statement signed by an engineer licensed in this state certifying that the plans for the water and sewer facilities meet the minimum state standards;

the commissioners court finds that the unplatted (4)subdivision at the time the delay or variance is requested is developed in a manner and to an extent that compliance with specific platting requirements is impractical or contrary to the health or safety of the residents of the subdivision; and

(5) the subdivider who created the unplatted subdivision has not violated local law, federal law, or state law, excluding this chapter, in subdividing the land for which the delay variance is requested, if the subdivider is the person

requesting the delay or variance.
SECTION 10. Section 232.106, Local Government Code, amended to read as follows:

CONNECTION OF UTILITIES. By an order adopted Sec. 232.106. and entered in the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the the commissioners court may impose the requirements of county, Section 232.029 or 232.0291.

SECTION  $1\overline{1}$ . Subdivision (2), Section 775.001, Government Code, is amended to read as follows:

"Colonia" means a geographic area that: (2)

is an economically distressed area as defined (A) by Section 17.921, Water Code; and

(B) is:

(i) located in a county any part of which is within 50 miles of an international border; or

<u>(ii)</u>

located in a county:
(a) any part of which is within 100 (a)

miles of an international border; and

(b) that contains the majority of the area of a municipality with a population of more than 250,000.

SECTION 12. Section 775.003, Government Code, is amended to read as follows:

Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. initiatives coordinator may appoint a colonia ombudsman in:

(1)that each of the six border counties the coordinator determines have the largest colonia populations; and

(2) each additional county any part of which is within 100 miles of an international border and that contains the majority the area of a municipality with a population of 2<u>50,000</u>.

SECTION 13. Section 37.153, Utilities Code, is amended to read as follows:

Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate in the holder's holder shall refuse to serve a customer certificated area if the holder is prohibited from providing the service under Section 212.012, [ex] 232.029, or 232.0291, Local Government Code.

SECTION 14. Section 54.254, Utilities Code, is amended to read as follows:

Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a certificate of convenience and necessity, a certificate of operating authority, or a service provider certificate of operating authority shall refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 212.012,  $[\Theta T]$  232.029, or 232.0291, Local Government Code.

SECTION 15. Subdivision (1), Section 16.341, Water Code, is amended to read as follows:

(1) "Affected county" means a county:

(A) that has a per capita income that averaged 25 percent below the state average for the most recent three consecutive years for which statistics are available and an unemployment rate that averaged 25 percent above the state average for the most recent three consecutive years for which statistics are available; [ex]

(B) that is adjacent to an international border;

6-15 <u>or</u> 6-16

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6-32 6-33 6-34 6-35 (C) that is located in whole or in part within 100 miles of an international border and contains the majority of the area of a municipality with a population of more than 250,000.

SECTION 16. Section 17.923, Water Code, is amended to read

as follows:

Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE. To be eligible for financial assistance under this subchapter, a county:

- (1) must have a per capita income that averaged 25 percent below the state average for the most recent three consecutive years for which statistics are available and an unemployment rate that averaged 25 percent above the state average for the most recent three consecutive years for which statistics are available; [or]
- (2) must be located adjacent to an international border; or
- (3) must be located in whole or in part within 100 miles of an international border and contain the majority of the area of a municipality with a population of more than 250,000.

  SECTION 17. This Act takes effect September 1, 2005.

6-36 \* \* \* \* \*

## FAVORABLY AS SUBSTITUTED SENATE COMMITTEE REPORT ON

_	SEIVILLE COMMITTEE WEI OUT OF							
(SB)	SCR	SJR	SR	нв	HCR	HJR	425	
$\cup$		By	Hinu	2006	a			
	By HIVOLOGA Author/Senate Sponsor)							
			4	112	105			
				1	(date)			

Sir:						
We, your Committee on_INTERGOVERN	MENT	AL RELA'I	IONS	, to which was	referred the atta	ached measure,
have on 4 U D (date of hearing) back with the recommendation (s) that it:					and I am instruc	
do pass as substituted, and be printed the caption remained the same as o the caption changed with adoption	original n of the su	neasure bstitute				
() do pass as substituted, and be ordered	not prin	ted				
and is recommended for placement on	the Loca	l and Uncor	itested E	Bills Calendar.		
A fiscal note was requested.	(yes	() no				
A revised fiscal note was requested. (Yyes ())						
An actuarial analysis was requested.	() yes	(Yno				
Considered by subcommittee.	(/no				·	
The measure was reported from Committe	e by the	following vo	ite:			
						•
		YI	EA	NAY	ABSENT	PNV
Senator Frank Madla, Chairman		<b>√</b>				
Senator Kim Brimer, Vice-Chairman			• "			
Senator Bob Deuell		/				
Senator Mario Gallegos						
Senator Jeff Wentworth						
TOTAL VOTES			,	t	-6	<del>0</del>

## **COMMITTEE ACTION**

\$260 \$270

Considered in public hearing

Testimony taken

COMMITTEE CLERK

CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill along with TWO copies of the Committee Substitute Retain one copy of this form for Committee files

## WITNESS LIST

### SB 425

### SENATE COMMITTEE REPORT

Intergovernmental Relations

## April 6, 2005 - 9:00AM

## Registering, but not testifying:

On:

Madera Jr., Ignacio Deputy Executive Administrator (Texas Water Development

Board), Austin, TX

Petron, Geoff Attorney (Texas Water Development Board), Austin, TX

#### **BILL ANALYSIS**

Senate Research Center 79R9158 QS-D

C.S.S.B. 425 By: Hinojosa Intergovernmental Relations 4/11/2005 Committee Report (Substituted)

#### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Current law regulating colonias is only applicable to counties within 50 miles of the border. C.S.S.B. 425 allows a county that is located within 100 miles of an international border and that contains a city with a population of more than 250,000 to:

- (1) prevent future substandard housing from springing up;
- (2) receive the assistance of a colonia ombudsman; and
- (3) be eligible for EDAP (economically distressed areas program) funds from the state.

C.S.S.B. 425 gives an affected county the power to approve plats in unincorporated areas of the county. This power allows a county to prevent unscrupulous developers from taking advantage of homeowners who are often left without paved roads or basic services such as running water, sewer lines, or electricity.

C.S.S.B. 425 amends Subchapter B, Chapter 232, Local Government Code, which was passed in the mid-1990s and gave border counties the power to enforce minimum standards for solid waste, water, and wastewater services.

#### **RULEMAKING AUTHORITY**

This bill does not expressly grant additional rulemaking authority to any state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 212.012(c), (e), and (f), Local Government Code, as follows:

- (c) Authorizes an entity described by Subsection (b) to serve or connect land with water, sewer, electricity, gas, or other utility service regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under Section 212.0115 if the municipal authority responsible for approving plats issues a certificate stating that the land was sold or conveyed to the person requesting service by any means of conveyance, including a contract for deed or executory contract, before September 1, 1995, in a county defined under Section 232.022(a)(1); or September 1, 2005, in a county defined under Section 232.022(a)(2); or is the site of construction of a residence, evidenced by at least the existence of a completed foundation, that was begun on or before September 1, 2005, in a county defined under Section 232.022(a)(2); or the land was not subdivided after September 1, 1995, in a county defined under Section 232.022(a)(1) or September 1, 2005, in a county defined under Section 232.022(a)(2), and certain conditions exist relating to the availability of water service.
- (e) Make conforming and nonsubstantive changes.
- (f) Make conforming and nonsubstantive changes.

SECTION 2. Amends Section 232.022, Local Government, by amending Subsections (a) and (c) and adding Subsection (c-1), as follows:

(a) Provides that this subchapter is applicable to a county with certain chartacteristics.

- (c) Provides that, except as provided by Subsection (c-1), for the purposes of this section, land is considered to be in the jurisdiction of a county if the land is located in the county and outside the corporate limits of the municipalities.
- (c-1) Provides that the land in a municipality's extraterritorial jurisdiction is not considered to be in the jurisdiction of a county for the purposes of this section if the municipality and the county have entered into a written agreement under Section 242.001 that authorizes the municipality to regulate subdivision plats and approve related permits in the municipality's extraterritorial jurisdiction.
- SECTION 3. Amends the heading to Section 232.029, Local Government Code, to read as follows:
  - Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50 MILES OF INTERNATIONAL BORDER.
- SECTION 4. Amends Section 232.029, Local Government Code, by relettering Subsection (a) as Subsection (a-1) and adding a new Subsection (a) to provide that this section only applies to a county defined under Section 232.022(a)(1).
- SECTION 5. Amends Subchapter B, Chapter 232, Local Government Code, by adding Section 232.0291, to read as follows:
  - Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) Provides that this section applies only to a county defined under Section 232.022(a)(2).
    - (b) Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), from serving or connecting any subdivided land with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b)(1) that the plat has been reviewed and approved by the commissioners court.
    - (c) Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), from serving or connecting any subdivided land with electricity or gas unless the entity receives a determination from the county commissioners court under Section 232.028(b)(2) that adequate water and sewer services have been installed to service the subdivision.
    - (d) Authorizes an electric, gas, water, or sewer service utility to serve or connect subdivided land with water, sewer, electricity, gas, or other utility service regardless of whether the utility receives a certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court under Section 232.028(b) if the utility is provided with a certificate issued by the commissioners court that makes certain statements.
    - (e) Authorizes a utility to provide service to subdivided land described by Subsection (d)(1) only if the person requesting the service meets certain requirements.
    - (f) Provides that a person requesting service may obtain a certificate under Subsection (d)(1) only if the person provides to the commissioners court certain documentation
    - (g) Provides that a person requesting service may obtain a certificate under Subsection (d)(2) only if the person provides to the commissioners court an affidavit that states that property was not sold or conveyed to that person from a subdivider or the subdivider's agent after September 1, 2005.

- (h) Requires the commissioners court, on request, to provide to the attorney general and any appropriate local, county, or state law enforcement official a copy of any document on which the commissioners court relied in determining the legality of providing service.
- (i) Prohibits this section from being construed to abrogate any civil or criminal proceeding or prosecution or to waive any penalty against a subdivider for a violation of a state or local law, regardless of the date on which the violation was committed.
- (j) Provides that the prohibition established by this section does not prohibit an electric or gas utility from providing electric or gas utility connection or service to a lot that meets certain requirements.
- (j) Defines "foundation."
- SECTION 6. Amends Section 232.031, Local Government Code, by amending Subsection (a) to make an exception as provided by Subsection (d) and adding Subsection (d), as follows:
  - (d) Prohibits a subdivider, in a county defined under Section 232.022(a)(2), from selling or leasing land in a subdivision first platted or replatted after September 1, 2005, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.024.
- SECTION 7. Amends Section 232.038, Local Government Code, to add an exception as provided by Subsection (b) and to authorize a person, if the lot is located in a county defined under Section 232.022(a)(2), to only bring suit under Subsection (a) if the person purchased or is purchasing the lot after September 1, 2005.
- SECTION 8. Amends Section 232.040(e), Local Government Code, to provide that an existing utility that must be platted or replatted under this section may not be terminated under Section 232.0291.
- SECTION 9. Amends Section 232.043(b), Local Government Code, to authorize the commissioners court, if the commissioners court makes a written finding that the subdivider who created the unplatted subdivision no longer owns property in the subdivision, to grant a delay or variance under this section only if a majority of lots in the subdivision were sold before September 1, 1995, in a county defined under Section 232.022(a)(1) or September 1, 2005, in a county defined under Section 232.022(a)(2).
- SECTION 10. Amends Section 232.106, Local Government Code, to authorize the commissioners court to, by an adopted order and entered into the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the county, impose the requirements of Section 232.0291.
- SECTION 11. Amends Section 775.001(2), Government Code, to redefine "colonia."
- SECTION 12. Amends Section 775.003, Government Code, to authorize the colonia initiatives coordinator to appoint a colonia ombudsman in each additional county any part of which is within 100 miles of an international border and that contains a municipality with a population of more than 250,000.
- SECTION 13, Amends Section 37.153, Utilities Code, to require a certificate holder to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.
- SECTION 14. Amends Section 54.254, Utilities Code, to require a holder of a certificate of conveyance and necessity, a certificate of operating authority, or a service provider certificate of operating authority, to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.

SECTION 15. Amends Section 16.341(1), Water Code, to redefine "affected county."

SECTION 16. Amends Section 17.923, Water Code, to require that to be eligible for financial assistance under this subchapter a county must be located in whole or in part within 100 miles of an international border and contain a municipality with a population of more than 250,000.

SECTION 17. Effective date: September 1, 2005.

# LEGISLATIVE BUDGET BOARD Austin, Texas

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 7, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), Committee Report 1st House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

# LEGISLATIVE BUDGET BOARD Austin, Texas

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 1, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), As Introduced

### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 150 miles of the international border and that contains a municipality with a population of 250,000 or more. Nueces County is currently the only county to which the specification of a county within 150 miles of the international border that has a municipality with a population of 250,000 or more applies.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 150 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

# REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

SENATOR CHRIS HARRIS, CHAIRMAN SENATE COMMITTEE ON ADMINISTRATION	. )
Notice is hereby given that 5B 425 (Bill No.)	, by Hind Josa (Author/Sponsor)
was heard by the Committee on IGP 2005,	on 4/6
and reported out with the recommendation that it be p	placed on the Local and Uncontested Calendar.
	Christine Weight
	(Clerk of the reporting committee)

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A **COMMITTEE PRINTED VERSION** OF THE BILL OR RESOLUTION AND SHOULD BE DELIVERED TO THE ADMINISTRATION COMMITTEE OFFICE, E1.714. DEADLINES FOR SUBMITTING BILLS AND RESOLUTIONS WILL BE ANNOUNCED ON A REGULAR BASIS.

## ADOPTED

3 /- 0 APR 2 1 2005

Acting Law
Secretary of the Senate

By: Hinojosa, Ellis

Substitute the following for 5.B. No. 425:

By: C.S.S.B. No. 425

A BILL TO BE ENTITLED 1 AN ACT 2 relating to subdivision platting requirements and assistance for certain counties near an international border. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 2. (2), and (5),

SECTION 1. (Section 212.012(c), and (5), 4 5 Government Code, are amended to read as follows: 6 7 An entity described by Subsection (b) may serve or connect land with water, sewer, electricity, gas, or other utility 8 9 service regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under 10 11 Section 212.0115 if: (1) the land is covered by a development plat approved 12 13 under Subchapter B or under an ordinance or rule relating to the development plat; 14 (2) the land was first served or connected with 15 service by an entity described by Subsection (b)(1), (b)(2), or 16 17 (b)(3) before September 1, 1987; (3) the land was first served or connected with 18 service by an entity described by Subsection (b)(4), (b)(5), or 19 20 (b)(6) before September 1, 1989; or (4) the municipal authority responsible for approving 21 22 plats issues a certificate stating that: 23 (A) the land: [before September 1, 1995,] was sold or  $\frac{1}{2}$ 24 (i)

> 4-12-05 4-19-05 &

```
1 conveyed to the person requesting service by any means of
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- 2 conveyance, including a contract for deed or executory contract,
- 3 before:
- 4 (a) September 1, 1995, in a county
- 5 defined under Section 232.022(a)(1); or
- 6 (b) September 1, 2005, in a county
- 7 defined under Section 232.022(a)(2);
- 8 (ii) is located in a subdivision in which
- 9 the entity has previously provided service;
- 10 (iii) is located outside the limits of the
- 11 municipality;
- 12 (iv) is located in a county to which
- 13 Subchapter B, Chapter 232, applies; and
- 14 (v) is the site of construction of a
- 15 residence, evidenced by at least the existence of a completed
- 16 foundation, that was begun on or before:
- 17 <u>(a)</u> May 1, 1997, in a county defined
- 18 under Section 232.022(a)(1); or
- 19 (b) September 1, 2005, in a county
- 20 defined under Section 232.022(a)(2); or
- 21 (B) the land was not subdivided after September
- 22 1, 1995, in a county defined under Section 232.022(a)(1), or
- 23 September 1, 2005, in a county defined under Section 232.022(a)(2),
- 24 and:
- 25 (i) water service is available within 750
- 26 feet of the subdivided land; or
- (ii) water service is available more than  $\int_{-\infty}^{\infty}$

- 1 750 feet from the subdivided land and the extension of water service
- 2 to the land may be feasible, subject to a final determination by the
- 3 water service provider.
- 4 (e) A person requesting service may obtain a certificate
- 5 under Subsection (c)(4)(A) only if the person provides to the
- 6 municipal authority responsible for approving plats either:
- 7 (1) a copy of the means of conveyance or other
- 8 documents that show that the land was sold or conveyed to the person
- 9 requesting service before September 1, 1995, or before September 1,
- 10 2005, as applicable, and a notarized affidavit by that person that
- 11 states that construction of a residence on the land, evidenced by at
- 12 least the existence of a completed foundation, was begun on or
- 13 before May 1, 1997, or on or before September 1, 2005, as
- 14 <u>applicable</u>; or
- 15 (2) a notarized affidavit by the person requesting
- 16 service that states that the property was sold or conveyed to that
- person before September 1, 1995, or before September 1, 2005, as
- 18 applicable, and that construction of a residence on the land,
- 19 evidenced by at least the existence of a completed foundation, was
- begun on or before May 1, 1997, or on or before September 1, 2005, as
- 21 <u>applicable</u>.
- (f) A person requesting service may obtain a certificate
- 23 under Subsection (c)(4)(B) only if the person provides to the
- 24 municipal authority responsible for approving plats an affidavit
- 25 that states that the property was not sold or conveyed to that
- 26 person from a subdivider or the subdivider's agent after September
- 27 1, 1995, or after September 1, 2005, as applicable.

- 1 SECTION 2. Section 232.022, Local Government Code, is
- 2 amended by amending Subsections (a) and (c) and adding Subsection
- 3 (c-1) to read as follows:
- 4 (a) This subchapter applies only to:
- 5 (1) a county any part of which is located within 50
- 6 miles of an international border; or
- 7 (2) a county:
- 8 (A) any part of which is located within 100 miles
- 9 of an international border;
- 10 (B) that contains the majority of the area of a
- 11 municipality with a population of more than 250,000; and
- 12 (C) to which Subdivision (1) does not apply.
- (c) Except as provided by Subsection (c-1), for [For]
- 14 purposes of this section, land is considered to be in the
- 15 jurisdiction of a county if the land is located in the county and
- 16 outside the corporate limits of municipalities.
- 17 (c-1) Land in a municipality's extraterritorial
- 18 jurisdiction is not considered to be in the jurisdiction of a county
- 19 for purposes of this section if the municipality and the county have
- 20 entered into a written agreement under Section 242.001 that
- 21 authorizes the municipality to regulate subdivision plats and
- 22 approve related permits in the municipality's extraterritorial
- 23 jurisdiction.
- SECTION 3. The heading to Section 232.029, Local Government
- 25 Code, is amended to read as follows:
- Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50
- 27 MILES OF INTERNATIONAL BORDER.

- SECTION 4. Section 232.029, Local Government Code, is 1 amended by relettering Subsection (a) as Subsection (a-1) and 2 adding a new Subsection (a) to read as follows: 3
- (a) This section applies only to a county defined under 4 Section 232.022(a)(1). 5
- (a-1) Except as provided by Subsection (c) or Section 6 232.037(c), a utility may not serve or connect any subdivided land 7 with water or sewer services unless the utility receives a 8 certificate issued by the commissioners court under Section 9 232.028(a) or receives a determination from the commissioners court 10 under Section 232.028(b)(1) that the plat has been reviewed and 11 approved by the commissioners court. 12
- SECTION 5. Subchapter B, Chapter 232, Local Government 13 Code, is amended by adding Section 232.0291 to read as follows: 14
- Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES 15 WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) This section applies 16 only to a county defined under Section 232.022(a)(2). 17
- (b) Except as provided by Subsection (d) or Section 18 232.037(c), a utility may not serve or connect any subdivided land 19 with water or sewer services unless the utility receives a 20 21 certificate issued by the commissioners court under Section 232.028(a) or receives a determination from the commissioners court 22 23 under Section 232.028(b)(1) that the plat has been reviewed and 24 approved by the commissioners court.
- (c) Except as provided by Subsection (d) or Section 25 232.037(c), a utility may not serve or connect any subdivided land 26 with electricity or gas unless the entity receives a determination /27

1	from the county commissioners court under section 232.026(b)(2)
2	that adequate water and sewer services have been installed to
3	service the subdivision.
4	(d) An electric, gas, water, or sewer service utility may
5	serve or connect subdivided land with water, sewer, electricity,
6	gas, or other utility service regardless of whether the utility
7	receives a certificate issued by the commissioners court under
8	Section 232.028(a) or receives a determination from the
9	commissioners court under Section 232.028(b) if the utility is
10	provided with a certificate issued by the commissioners court that
11	states that:
12	(1) the subdivided land:
13	(A) was sold or conveyed to the person requesting
14	service by any means of conveyance, including a contract for deed or
15	executory contract before September 1, 2005;
16	(B) is located in a subdivision in which the
17	utility has previously provided service; and
18	(C) is the site of construction of a residence,
19	evidenced by at least the existence of a completed foundation, that
20	was begun on or before September 1, 2005; or
21	(2) the subdivided land was not subdivided after
22	September 1, 2005, and:
23	(A) water service is available within 750 feet of
24	the subdivided land; or
25	(B) water service is available more than 750 feet
26	from the subdivided land and the extension of water service to the

land may be feasible, subject to a final determination by the water

	service provider.
2	(e) A utility may provide utility service to subdivided land
3	described by Subsection (d)(1) only if the person requesting
4	service:
5	(1) is not the land's subdivider or the subdivider's
6	agent; and
7	(2) provides to the utility a certificate described by
8	Subsection (d)(1).
9	(f) A person requesting service may obtain a certificate
10	under Subsection (d)(1) only if the person provides to the
11	<pre>commissioners court either:</pre>
12	(1) documentation containing:
13	(A) a copy of the means of conveyance or other
14	documents that show that the land was sold or conveyed to the person
15	requesting service before September 1, 2005; and
16	(B) a notarized affidavit by that person that
17	states that construction of a residence on the land, evidenced by at
18	least the existence of a completed foundation, was begun on or
19	before September 1, 2005; or
20	(2) a notarized affidavit by the person requesting
21	service that states that:
22	(A) the property was sold or conveyed to that
23	person before September 1, 2005; and
24	(B) construction of a residence on the land,
25	evidenced by at least the existence of a completed foundation, was
26	begun on or before September 1, 2005.
27	(g) A person requesting service may obtain a certificate

1 ur	nder	Subsection	(d)(2)	onlv	if	the	person	provides	to	the
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- 2 commissioners court an affidavit that states that the property was
- 3 not sold or conveyed to that person from a subdivider or the
- 4 subdivider's agent after September 1, 2005.
- 5 (h) On request, the commissioners court shall provide to the
- 6 attorney general and any appropriate local, county, or state law
- 7 enforcement official a copy of any document on which the
- 8 commissioners court relied in determining the legality of providing
- 9 <u>service.</u>
- 10 (i) This section may not be construed to abrogate any civil
- 11 or criminal proceeding or prosecution or to waive any penalty
- 12 against a subdivider for a violation of a state or local law,
- 13 regardless of the date on which the violation occurred.
- 14 (j) The prohibition established by this section does not
- prohibit an electric or gas utility from providing electric or gas
- 16 utility connection or service to a lot:
- (1) sold, conveyed, or purchased through a contract
- 18 for deed or executory contract or other device by a subdivider
- 19 before September 1, 2005;
- 20 (2) located within a subdivision where the utility has
- 21 previously established service; and
- 22 (3) subdivided by a plat approved before September 1,
- 23 <u>1989</u>.
- 24 (k) In this section, "foundation" means the lowest division
- of a residence, usually consisting of a masonry slab or a pier and
- 26 beam structure, that is partly or wholly below the surface of the
- 27 ground and on which the residential structure rests.

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SECTION 6. Section 232.031, Local Government Code,
                                                                 is
1
   amended by amending Subsection (a) and adding Subsection (d) to
2
3
   read as follows:
              Except as provided by Subsection (d), a [A] subdivider
4
         (a)
   may not sell or lease land in a subdivision first platted or
5
   replatted after July 1, 1995, unless the subdivision plat is
6
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- approved by the commissioners court in accordance with Section 7
- 232.024. 8
- (d) In a county defined under Section 232.022(a)(2), a 9 subdivider may not sell or lease land in a subdivision first platted 10 or replatted after September 1, 2005, unless the subdivision plat 11 is approved by the commissioners court in accordance with Section 12
- 232.024. 13
- SECTION 7. Section 232.038, Local Government Code, is 14 15 amended to read as follows:
- PRIVATE Sec. 232.038. SUIT BY PERSON ΙN ECONOMICALLY 16 DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A] 17
- person who has purchased or is purchasing a lot after July 1, 1995, 18
- in a subdivision for residential purposes that does not have water 19
- 20 and sewer services as required by this subchapter and is located in
- an economically distressed area, as defined by Section 17.921, 21
- Water Code, from a subdivider, may bring suit in the district court 22
- in which the property is located or in a district court in Travis 23
- 24 County to:
- 25 declare the sale of the property void and require (1)
- the subdivider to return the purchase price of the property; and 26
- (2) recover from the subdivider: 27

9/10

2	improvements the person placed on the property;
3	(B) actual expenses incurred as a direct result
4	of the failure to provide adequate water and sewer facilities;
5	(C) court costs; and
6	(D) reasonable attorney's fees.
7	(b) If the lot is located in a county defined under Section
8	232.022(a)(2), a person may only bring suit under Subsection (a) if
9	the person purchased or is purchasing the lot after September 1,
10	Subsection (e)
11	SECTION 8. Section 232.040 , Local Government Code, is
12	amended to read as follows:
13	(e) Existing utility services to a subdivision that must be
14	platted or replatted under this section may not be terminated under
15	Section 232.029 or 232.0291.
16	SECTION 9. Rection 232.043(b), Local Government Code, is
17	amended to read as follows:
18	(b) If the commissioners court makes a written finding that
19	the subdivider who created the unplatted subdivision no longer owns
20	property in the subdivision, the commissioners court may grant a
21	delay or variance under this section only if:
22	(1) a majority of the lots in the subdivision were sold
23	before:
24	(A) September 1, 1995, in a county defined under
25	<pre>Section 232.022(a)(1); or</pre>
26	(B) September 1, 2005, in a county defined under
27	Section 232.022(a)(2);

(A) the market value of any permanent

- 1 (2) a majority of the resident purchasers in the
- 2 subdivision sign a petition supporting the delay or variance;
- 3 (3) the person requesting the delay or variance
- 4 submits to the commissioners court:
- 5 (A) a description of the water and sewer service
- 6 facilities that will be constructed or installed to service the
- 7 subdivision;
- 8 (B) a statement specifying the date by which the
- 9 water and sewer service facilities will be fully operational; and
- 10 (C) a statement signed by an engineer licensed in
- 11 this state certifying that the plans for the water and sewer
- 12 facilities meet the minimum state standards;
- 13 (4) the commissioners court finds that the unplatted
- 14 subdivision at the time the delay or variance is requested is
- 15 developed in a manner and to an extent that compliance with specific
- 16 platting requirements is impractical or contrary to the health or
- 17 safety of the residents of the subdivision; and
- 18 (5) the subdivider who created the unplatted
- 19 subdivision has not violated local law, federal law, or state law,
- 20 excluding this chapter, in subdividing the land for which the delay
- 21 or variance is requested, if the subdivider is the person
- 22 requesting the delay or variance.
- 23 SECTION 10. Section 232.106, Local Government Code, is
- 24 amended to read as follows:
- Sec. 232.106. CONNECTION OF UTILITIES. By an order adopted
- 26 and entered in the minutes of the commissioners court, and after a
- 27 notice is published in a newspaper of general circulation in the  $\int 1/\sqrt{12}$

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2
    Section 232.029 or 232.0291
           SECTION 11. Section 775.001(2), Government Code, is amended
3
4
    to read as follows:
                (2)
                     "Colonia" means a geographic area that:
5
                          is an economically distressed area as defined
6
    by Section 17.921, Water Code; and
7
                      (B)
8
                           is:
                           (i) located in a county any part of which is
9
    within 50 miles of an international border; or
10
11
                           (ii) located in a county:
                                (a) any part of which is within 100
12
13
    miles of an international border; and
                                (b) that contains the majority of the
14
    area of a municipality with a population of more than 250,000.
15
                        Section 775.003, Government Code, is amended to
           SECTION 12.
16
     read as follows:
17
           Sec. 775.003. COLONIA OMBUDSMAN PROGRAM.
                                                           The colonia
18
19
     initiatives coordinator may appoint a colonia ombudsman in:
                     each of the
                                     six
                                           border counties that the
20
                (1)
     coordinator determines have the largest colonia populations; and
21
                (2) each additional county any part of which is within
22
     100 miles of an international border and that contains the majority
23
     of the area of a municipality with a population of more than
24
25
     250,000.
                        Section 37.153, Utilities Code, is amended to
           SECTION 13.
26
     read as follows:
27
```

county, the commissioners court may impose the requirements of

```
Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate
1
    holder shall refuse to serve a customer
                                                    in the holder's
2
    certificated area if the holder is prohibited from providing the
3
    service under Section 212.012, [ex] 232.029, or 232.0291, Local
5
    Government Code.
                       Section 54.254, Utilities Code, is amended to
          SECTION 14.
6
    read as follows:
7
          Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a
8
    certificate of convenience and necessity, a certificate of
9
    operating authority, or a service provider certificate of operating
10
    authority shall refuse to serve a customer in the holder's
11
    certificated area if the holder is prohibited from providing the
12
    service under Section 212.012<u>,</u> [<del>or</del>] 232.029, <u>or 232.0291,</u> Local
13
14
    Government Code.
          Section 16.341(7), Water Code, is amended to
15
    read as follows:
```

- (1) "Affected county" means a county: 17
- that has a per capita income that averaged 25 18 percent below the state average for the most recent three 19 consecutive years for which statistics are available and an 20 unemployment rate that averaged 25 percent above the state average 21 for the most recent three consecutive years for which statistics 2.2 are available; [or] 23
- (B) that is adjacent to an international border; 24
- 25 or

- (C) that is located in whole or in part within 100 26
- miles of an international border and contains the majority of the 27

- 1 area of a municipality with a population of more than 250,000.
- 2 SECTION 16. Section 17.923, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE.
- 5 To be eligible for financial assistance under this subchapter, a
- 6 county:
- 7 (1) must have a per capita income that averaged 25
- 8 percent below the state average for the most recent three
- 9 consecutive years for which statistics are available and an
- 10 unemployment rate that averaged 25 percent above the state average
- 11 for the most recent three consecutive years for which statistics
- 12 are available; [ox]
- 13 (2) must be located adjacent to an international
- 14 border; or
- 15 (3) must be located in whole or in part within 100
- 16 miles of an international border and contain the majority of the
- area of a municipality with a population of more than 250,000.
- 18 SECTION 17. This Act takes effect September 1, 2005.

Engrossed Opril 21, 2005

Maidi Oleyand

Engrossing Clerk

I certify this to be a true and correct copy of the indicated document as referred or transmitted to committee.

Chief Clerk of the House

By: Hinojosa, Ellis (Luna, Seaman)

S.B. No. 425

#### A BILL TO BE ENTITLED

1	AN ACT	

- 2 relating to subdivision platting requirements and assistance for
- 3 certain counties near an international border.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Subsections (c), (e), and (f), Section 212.012,
- 6 Local Government Code, are amended to read as follows:
- 7 (c) An entity described by Subsection (b) may serve or
- 8 connect land with water, sewer, electricity, gas, or other utility
- 9 service regardless of whether the entity is presented with or
- 10 otherwise holds a certificate applicable to the land issued under
- 11 Section 212.0115 if:
- 12 (1) the land is covered by a development plat approved
- 13 under Subchapter B or under an ordinance or rule relating to the
- 14 development plat;
- 15 (2) the land was first served or connected with
- service by an entity described by Subsection (b)(1), (b)(2), or
- 17 (b)(3) before September 1, 1987;
- 18 (3) the land was first served or connected with
- 19 service by an entity described by Subsection (b)(4), (b)(5), or
- 20 (b)(6) before September 1, 1989; or
- 21 (4) the municipal authority responsible for approving
- 22 plats issues a certificate stating that:
- 23 (A) the land:
- (i) [before September 1, 1995,] was sold or

- 1 conveyed to the person requesting service by any means of
- 2 conveyance, including a contract for deed or executory contract,
- 3 before:
- 4 (a) September 1, 1995, in a county
- 5 <u>defined under Section 232.022(a)(1);</u> or
- (b) September 1, 2005, in a county
- 7 defined under Section 232.022(a)(2);
- 8 (ii) is located in a subdivision in which
- 9 the entity has previously provided service;
- 10 (iii) is located outside the limits of the
- 11 municipality;
- 12 (iv) is located in a county to which
- 13 Subchapter B, Chapter 232, applies; and
- 14 (v) is the site of construction of a
- 15 residence, evidenced by at least the existence of a completed
- 16 foundation, that was begun on or before:
- 17 (a) May 1, 1997, in a county defined
- 18 <u>under Section 232.022(a)(1); or</u>
- (b) September 1, 2005, in a county
- 20 <u>defined under Section 232.022(a)(2);</u> or
- 21 (B) the land was not subdivided after September
- 22 1, 1995, <u>in a county defined under Section 232.022(a)(1)</u>, or
- 23 September 1, 2005, in a county defined under Section 232.022(a)(2),
- 24 and:
- (i) water service is available within 750
- 26 feet of the subdivided land; or
- 27 (ii) water service is available more than

- 1 750 feet from the subdivided land and the extension of water service
- 2 to the land may be feasible, subject to a final determination by the
- 3 water service provider.
- 4 (e) A person requesting service may obtain a certificate
- 5 under Subsection (c)(4)(A) only if the person provides to the
- 6 municipal authority responsible for approving plats either:
- 7 (1) a copy of the means of conveyance or other
- 8 documents that show that the land was sold or conveyed to the person
- 9 requesting service before September 1, 1995, or before September 1,
- 10 2005, as applicable, and a notarized affidavit by that person that
- 11 states that construction of a residence on the land, evidenced by at
- 12 least the existence of a completed foundation, was begun on or
- 13 before May 1, 1997, or on or before September 1, 2005, as
- 14 applicable; or
- 15 (2) a notarized affidavit by the person requesting
- 16 service that states that the property was sold or conveyed to that
- 17 person before September 1, 1995, or before September 1, 2005, as
- 18 applicable, and that construction of a residence on the land,
- 19 evidenced by at least the existence of a completed foundation, was
- begun on or before May 1, 1997, or on or before September 1, 2005, as
- 21 <u>applicable</u>.
- 22 (f) A person requesting service may obtain a certificate
- 23 under Subsection (c)(4)(B) only if the person provides to the
- 24 municipal authority responsible for approving plats an affidavit
- 25 that states that the property was not sold or conveyed to that
- 26 person from a subdivider or the subdivider's agent after September
- 27 1, 1995, or after September 1, 2005, as applicable.

- 1 SECTION 2. Section 232.022, Local Government Code, is
- 2 amended by amending Subsections (a) and (c) and adding Subsection
- 3 (c-1) to read as follows:
- 4 (a) This subchapter applies only to:
- 5 (1) a county any part of which is located within 50
- 6 miles of an international border; or
- 7 (2) a county:
- 8 (A) any part of which is located within 100 miles
- 9 of an international border;
- 10 (B) that contains the majority of the area of a
- 11 municipality with a population of more than 250,000; and
- (C) to which Subdivision (1) does not apply.
- (c) Except as provided by Subsection (c-1), for [For]
- 14 purposes of this section, land is considered to be in the
- 15 jurisdiction of a county if the land is located in the county and
- 16 outside the corporate limits of municipalities.
- 17 (c-1) Land in a municipality's extraterritorial
- 18 jurisdiction is not considered to be in the jurisdiction of a county
- 19 for purposes of this section if the municipality and the county have
- 20 entered into a written agreement under Section 242.001 that
- 21 authorizes the municipality to regulate subdivision plats and
- 22 approve related permits in the municipality's extraterritorial
- 23 jurisdiction.
- SECTION 3. The heading to Section 232.029, Local Government
- 25 Code, is amended to read as follows:
- Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50
- 27 MILES OF INTERNATIONAL BORDER.

- 1 SECTION 4. Section 232.029, Local Government Code, is
- 2 amended by relettering Subsection (a) as Subsection (a-1) and
- 3 adding a new Subsection (a) to read as follows:
- 4 (a) This section applies only to a county defined under
- 5 Section 232.022(a)(1).
- 6 (a-1) Except as provided by Subsection (c) or Section
- 7 232.037(c), a utility may not serve or connect any subdivided land
- 8 with water or sewer services unless the utility receives a
- 9 certificate issued by the commissioners court under Section
- 10 232.028(a) or receives a determination from the commissioners court
- 11 under Section 232.028(b)(1) that the plat has been reviewed and
- 12 approved by the commissioners court.
- SECTION 5. Subchapter B, Chapter 232, Local Government
- 14 Code, is amended by adding Section 232.0291 to read as follows:
- Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES
- 16 WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) This section
- applies only to a county defined under Section 232.022(a)(2).
- (b) Except as provided by Subsection (d) or Section
- 19 232.037(c), a utility may not serve or connect any subdivided land
- 20 with water or sewer services unless the utility receives a
- 21 certificate issued by the commissioners court under Section
- 22 232.028(a) or receives a determination from the commissioners court
- 23 under Section 232.028(b)(1) that the plat has been reviewed and
- 24 approved by the commissioners court.
- 25 <u>(c) Except as provided by Subsection (d) or Section</u>
- 26 232.037(c), a utility may not serve or connect any subdivided land
- 27 with electricity or gas unless the entity receives a determination

- from the county commissioners court under Section 232.028(b)(2)
- 2 that adequate water and sewer services have been installed to
- 3 <u>service the subdivision</u>.
- 4 (d) An electric, gas, water, or sewer service utility may
- 5 serve or connect subdivided land with water, sewer, electricity,
- 6 gas, or other utility service regardless of whether the utility
- 7 receives a certificate issued by the commissioners court under
- 8 <u>Section 232.028(a) or receives a determination from the</u>
- 9 commissioners court under Section 232.028(b) if the utility is
- 10 provided with a certificate issued by the commissioners court that
- 11 states that:
- 12 (1) the subdivided land:
- (A) was sold or conveyed to the person requesting
- service by any means of conveyance, including a contract for deed or
- executory contract before September 1, 2005;
- (B) is located in a subdivision in which the
- 17 utility has previously provided service; and
- (C) is the site of construction of a residence,
- 19 evidenced by at least the existence of a completed foundation, that
- was begun on or before September 1, 2005; or
- 21 (2) the subdivided land was not subdivided after
- 22 <u>September 1, 2005, and:</u>
- (A) water service is available within 750 feet of
- 24 the subdivided land; or
- 25 (B) water service is available more than 750 feet
- 26 from the subdivided land and the extension of water service to the
- 27 land may be feasible, subject to a final determination by the water

1	service	pr	071	der	•
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- 2 (e) A utility may provide utility service to subdivided land
- 3 described by Subsection (d)(1) only if the person requesting
- 4 service:
- 5 (1) is not the land's subdivider or the subdivider's
- 6 agent; and
- 7 (2) provides to the utility a certificate described by
- 8 Subsection (d)(1).
- 9 <u>(f) A person requesting service may obtain a certificate</u>
- 10 under Subsection (d)(1) only if the person provides to the
- 11 commissioners court either:
- (1) documentation containing:
- (A) a copy of the means of conveyance or other
- documents that show that the land was sold or conveyed to the person
- requesting service before September 1, 2005; and
- (B) a notarized affidavit by that person that
- 17 states that construction of a residence on the land, evidenced by at
- 18 least the existence of a completed foundation, was begun on or
- before September 1, 2005; or
- 20 (2) a notarized affidavit by the person requesting
- 21 <u>service that states that:</u>
- (A) the property was sold or conveyed to that
- 23 person before September 1, 2005; and
- (B) construction of a residence on the land,
- 25 evidenced by at least the existence of a completed foundation, was
- begun on or before September 1, 2005.
- 27 (g) A person requesting service may obtain a certificate

- 1 under Subsection (d)(2) only if the person provides to the
- 2 commissioners court an affidavit that states that the property was
- 3 not sold or conveyed to that person from a subdivider or the
- 4 <u>subdivider's agent after September 1, 2005.</u>
- 5 (h) On request, the commissioners court shall provide to the
- 6 attorney general and any appropriate local, county, or state law
- 7 enforcement official a copy of any document on which the
- 8 commissioners court relied in determining the legality of providing
- 9 service.
- 10 (i) This section may not be construed to abrogate any civil
- 11 or criminal proceeding or prosecution or to waive any penalty
- 12 against a subdivider for a violation of a state or local law,
- 13 regardless of the date on which the violation occurred.
- 14 (j) The prohibition established by this section does not
- 15 prohibit an electric or gas utility from providing electric or gas
- 16 utility connection or service to a lot:
- 17 (1) sold, conveyed, or purchased through a contract
- 18 for deed or executory contract or other device by a subdivider
- before September 1, 2005;
- 20 (2) located within a subdivision where the utility has
- 21 previously established service; and
- 22 (3) subdivided by a plat approved before September 1,
- 23 1989.
- 24 (k) In this section, "foundation" means the lowest division
- of a residence, usually consisting of a masonry slab or a pier and
- 26 beam structure, that is partly or wholly below the surface of the
- 27 ground and on which the residential structure rests.

- 1 SECTION 6. Section 232.031, Local Government Code, is
- 2 amended by amending Subsection (a) and adding Subsection (d) to
- 3 read as follows:
- 4 (a) Except as provided by Subsection (d), a [A] subdivider
- 5 may not sell or lease land in a subdivision first platted or
- 6 replatted after July 1, 1995, unless the subdivision plat is
- 7 approved by the commissioners court in accordance with Section
- 8 232.024.
- 9 (d) In a county defined under Section 232.022(a)(2), a
- 10 <u>subdivider may not sell or lease land in a subdivision first platted</u>
- or replatted after September 1, 2005, unless the subdivision plat
- 12 is approved by the commissioners court in accordance with Section
- 13 232.024.
- 14 SECTION 7. Section 232.038, Local Government Code, is
- 15 amended to read as follows:
- 16 Sec. 232.038. SUIT BY PRIVATE PERSON IN ECONOMICALLY
- 17 DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A]
- 18 person who has purchased or is purchasing a lot after July 1, 1995,
- in a subdivision for residential purposes that does not have water
- 20 and sewer services as required by this subchapter and is located in
- 21 an economically distressed area, as defined by Section 17.921,
- 22 Water Code, from a subdivider, may bring suit in the district court
- 23 in which the property is located or in a district court in Travis
- 24 County to:
- 25 (1) declare the sale of the property void and require
- 26 the subdivider to return the purchase price of the property; and
- 27 (2) recover from the subdivider:

- 1 (A) the market value of any permanent
- 2 improvements the person placed on the property;
- 3 (B) actual expenses incurred as a direct result
- 4 of the failure to provide adequate water and sewer facilities;
- 5 (C) court costs; and
- 6 (D) reasonable attorney's fees.
- 7 (b) If the lot is located in a county defined under Section
- 8 232.022(a)(2), a person may only bring suit under Subsection (a) if
- 9 the person purchased or is purchasing the lot after September 1,
- 10 2005.
- SECTION 8. Subsection (e), Section 232.040, Local
- 12 Government Code, is amended to read as follows:
- (e) Existing utility services to a subdivision that must be
- 14 platted or replatted under this section may not be terminated under
- 15 Section 232.029 or 232.0291.
- 16 SECTION 9. Subsection (b), Section 232.043, Local
- 17 Government Code, is amended to read as follows:
- 18 (b) If the commissioners court makes a written finding that
- 19 the subdivider who created the unplatted subdivision no longer owns
- 20 property in the subdivision, the commissioners court may grant a
- 21 delay or variance under this section only if:
- 22 (1) a majority of the lots in the subdivision were sold
- 23 before:
- 24 (A) September 1, 1995, in a county defined under
- 25 <u>Section 232.022(a)(1); or</u>
- (B) September 1, 2005, in a county defined under
- 27 <u>Section 232.022(a)(2);</u>

- 1 (2) a majority of the resident purchasers in the
- 2 subdivision sign a petition supporting the delay or variance;
- 3 (3) the person requesting the delay or variance
- 4 submits to the commissioners court:
- 5 (A) a description of the water and sewer service
- 6 facilities that will be constructed or installed to service the
- 7 subdivision;
- 8 (B) a statement specifying the date by which the
- 9 water and sewer service facilities will be fully operational; and
- 10 (C) a statement signed by an engineer licensed in
- 11 this state certifying that the plans for the water and sewer
- 12 facilities meet the minimum state standards;
- 13 (4) the commissioners court finds that the unplatted
- 14 subdivision at the time the delay or variance is requested is
- developed in a manner and to an extent that compliance with specific
- 16 platting requirements is impractical or contrary to the health or
- 17 safety of the residents of the subdivision; and
- 18 (5) the subdivider who created the unplatted
- 19 subdivision has not violated local law, federal law, or state law,
- 20 excluding this chapter, in subdividing the land for which the delay
- 21 or variance is requested, if the subdivider is the person
- 22 requesting the delay or variance.
- 23 SECTION 10. Section 232.106, Local Government Code, is
- 24 amended to read as follows:
- Sec. 232.106. CONNECTION OF UTILITIES. By an order adopted
- 26 and entered in the minutes of the commissioners court, and after a
- 27 notice is published in a newspaper of general circulation in the

- 1 county, the commissioners court may impose the requirements of
- 2 Section 232.029 or 232.0291.
- 3 SECTION 11. Subdivision (2), Section 775.001, Government
- 4 Code, is amended to read as follows:
- 5 (2) "Colonia" means a geographic area that:
- 6 (A) is an economically distressed area as defined
- 7 by Section 17.921, Water Code; and
- 8 (B) is:
- 9 (i) located in a county any part of which is
- 10 within 50 miles of an international border; or
- 11 (ii) located in a county:
- 12 (a) any part of which is within 100
- 13 miles of an international border; and
- (b) that contains the majority of the
- area of a municipality with a population of more than 250,000.
- 16 SECTION 12. Section 775.003, Government Code, is amended to
- 17 read as follows:
- 18 Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. The colonia
- initiatives coordinator may appoint a colonia ombudsman in:
- 20 <u>(1)</u> each of the six border counties that the
- 21 coordinator determines have the largest colonia populations; and
- 22 (2) each additional county any part of which is within
- 23 100 miles of an international border and that contains the majority
- 24 of the area of a municipality with a population of more than
- 25 250,000.
- SECTION 13. Section 37.153, Utilities Code, is amended to
- 27 read as follows:

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- 1 Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate
- 2 holder shall refuse to serve a customer in the holder's
- 3 certificated area if the holder is prohibited from providing the
- 4 service under Section 212.012, [or] 232.029, or 232.0291, Local
- 5 Government Code.
- 6 SECTION 14. Section 54.254, Utilities Code, is amended to
- 7 read as follows:
- 8 Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a
- 9 certificate of convenience and necessity, a certificate of
- 10 operating authority, or a service provider certificate of operating
- 11 authority shall refuse to serve a customer in the holder's
- 12 certificated area if the holder is prohibited from providing the
- 13 service under Section 212.012, [er] 232.029, or 232.0291, Local
- 14 Government Code.
- 15 SECTION 15. Subdivision (1), Section 16.341, Water Code, is
- 16 amended to read as follows:
- 17 (1) "Affected county" means a county:
- 18 (A) that has a per capita income that averaged 25
- 19 percent below the state average for the most recent three
- 20 consecutive years for which statistics are available and an
- 21 unemployment rate that averaged 25 percent above the state average
- 22 for the most recent three consecutive years for which statistics
- 23 are available; [or]
- 24 (B) that is adjacent to an international border;
- 25 <u>or</u>
- (C) that is located in whole or in part within 100
- 27 miles of an international border and contains the majority of the

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- area of a municipality with a population of more than 250,000.
- 2 SECTION 16. Section 17.923, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE.
- 5 To be eligible for financial assistance under this subchapter, a
- 6 county:
- 7 (1) must have a per capita income that averaged 25
- 8 percent below the state average for the most recent three
- 9 consecutive years for which statistics are available and an
- 10 unemployment rate that averaged 25 percent above the state average
- 11 for the most recent three consecutive years for which statistics
- 12 are available; [ex]
- 13 (2) must be located adjacent to an international
- 14 border; or
- 15 (3) must be located in whole or in part within 100
- 16 miles of an international border and contain the majority of the
- area of a municipality with a population of more than 250,000.
- 18 SECTION 17. This Act takes effect September 1, 2005.

## LEGISLATIVE BUDGET BOARD Austin, Texas

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### April 7, 2005

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), Committee Report 1st House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

## LEGISLATIVE BUDGET BOARD Austin, Texas

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 1, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), As Introduced

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 150 miles of the international border and that contains a municipality with a population of 250,000 or more. Nueces County is currently the only county to which the specification of a county within 150 miles of the international border that has a municipality with a population of 250,000 or more applies.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 150 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

# HOUSE OS MAY 20 AM 12: 18 COMMITTEE REPORT HUUSE OF REFRESENTATIVES

### 1<sup>st</sup> Printing

By: Hinojosa, Ellis (Luna, Seaman)

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S.B. No. 425

#### A BILL TO BE ENTITLED

1	AN ACT
2	relating to subdivision platting requirements and assistance for
3	certain counties near an international border.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subsections (c), (e), and (f), Section 212.012,
6	Local Government Code, are amended to read as follows:
7	(c) An entity described by Subsection (b) may serve or
8	connect land with water, sewer, electricity, gas, or other utility
9	service regardless of whether the entity is presented with or
10	otherwise holds a certificate applicable to the land issued under
11	Section 212.0115 if:
12	(1) the land is covered by a development plat approved
13	under Subchapter B or under an ordinance or rule relating to the
14	development plat;
15	(2) the land was first served or connected with
16	service by an entity described by Subsection (b)(1), (b)(2), or
17	(b)(3) before September 1, 1987;
18	(3) the land was first served or connected with
19	service by an entity described by Subsection $(b)(4)$ , $(b)(5)$ , or
20	(b)(6) before September 1, 1989; or
21	(4) the municipal authority responsible for approving
22	plats issues a certificate stating that:
23	(A) the land:

(i) [before September 1, 1995, was sold or

- 1 conveyed to the person requesting service by any means of
- 2 conveyance, including a contract for deed or executory contract,
- 3 before:
- 4 (a) September 1, 1995, in a county
- 5 defined under Section 232.022(a)(1); or
- 6 (b) September 1, 2005, in a county
- 7 defined under Section 232.022(a)(2);
- 8 (ii) is located in a subdivision in which
- 9 the entity has previously provided service;
- 10 (iii) is located outside the limits of the
- 11 municipality;
- (iv) is located in a county to which
- 13 Subchapter B, Chapter 232, applies; and
- 14 (v) is the site of construction of a
- 15 residence, evidenced by at least the existence of a completed
- 16 foundation, that was begun on or before:
- (a) May 1, 1997, in a county defined
- 18 <u>under Section 232.022(a)(1); or</u>
- (b) September 1, 2005, in a county
- 20 <u>defined under Section 232.022(a)(2)</u>; or
- 21 (B) the land was not subdivided after September
- 22 1, 1995, in a county defined under Section 232.022(a)(1), or
- 23 September 1, 2005, in a county defined under Section 232.022(a)(2),
- 24 and:
- 25 (i) water service is available within 750
- 26 feet of the subdivided land; or
- 27 (ii) water service is available more than

- 1 750 feet from the subdivided land and the extension of water service
- 2 to the land may be feasible, subject to a final determination by the
- 3 water service provider.
- 4 (e) A person requesting service may obtain a certificate
- 5 under Subsection (c)(4)(A) only if the person provides to the
- 6 municipal authority responsible for approving plats either:
- 7 (1) a copy of the means of conveyance or other
- 8 documents that show that the land was sold or conveyed to the person
- 9 requesting service before September 1, 1995, or before September 1,
- 10 2005, as applicable, and a notarized affidavit by that person that
- 11 states that construction of a residence on the land, evidenced by at
- 12 least the existence of a completed foundation, was begun on or
- 13 before May 1, 1997, or on or before September 1, 2005, as
- 14 applicable; or
- 15 (2) a notarized affidavit by the person requesting
- 16 service that states that the property was sold or conveyed to that
- person before September 1, 1995, or before September 1, 2005, as
- 18 applicable, and that construction of a residence on the land,
- 19 evidenced by at least the existence of a completed foundation, was
- 20 begun on or before May 1, 1997, or on or before September 1, 2005, as
- 21 applicable.
- 22 (f) A person requesting service may obtain a certificate
- 23 under Subsection (c)(4)(B) only if the person provides to the
- 24 municipal authority responsible for approving plats an affidavit
- 25 that states that the property was not sold or conveyed to that
- 26 person from a subdivider or the subdivider's agent after September
- 27 1, 1995, or after September 1, 2005, as applicable.

- 1 SECTION 2. Section 232.022, Local Government Code, is
- 2 amended by amending Subsections (a) and (c) and adding Subsection
- 3 (c-1) to read as follows:
- 4 (a) This subchapter applies only to:
- 5 (1) a county any part of which is located within 50
- 6 miles of an international border; or
- 7 (2) a county:
- 8 (A) any part of which is located within 100 miles
- 9 of an international border;
- 10 (B) that contains the majority of the area of a
- 11 municipality with a population of more than 250,000; and
- (C) to which Subdivision (1) does not apply.
- (c) Except as provided by Subsection (c-1), for [For]
- 14 purposes of this section, land is considered to be in the
- 15 jurisdiction of a county if the land is located in the county and
- 16 outside the corporate limits of municipalities.
- 17 (c-1) Land in a municipality's extraterritorial
- 18 jurisdiction is not considered to be in the jurisdiction of a county
- 19 for purposes of this section if the municipality and the county have
- 20 entered into a written agreement under Section 242.001 that
- 21 <u>authorizes the municipality to regulate subdivision plats and</u>
- 22 approve related permits in the municipality's extraterritorial
- 23 jurisdiction.
- SECTION 3. The heading to Section 232.029, Local Government
- 25 Code, is amended to read as follows:
- Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50
- 27 MILES OF INTERNATIONAL BORDER.

- 1 SECTION 4. Section 232.029, Local Government Code, is
- 2 amended by relettering Subsection (a) as Subsection (a-1) and
- 3 adding a new Subsection (a) to read as follows:
- 4 (a) This section applies only to a county defined under
- 5 <u>Section 232.022(a)(1).</u>
- 6 (a-1) Except as provided by Subsection (c) or Section
- 7 232.037(c), a utility may not serve or connect any subdivided land
- 8 with water or sewer services unless the utility receives a
- 9 certificate issued by the commissioners court under Section
- 232.028(a) or receives a determination from the commissioners court
- 11 under Section 232.028(b)(1) that the plat has been reviewed and
- 12 approved by the commissioners court.
- SECTION 5. Subchapter B, Chapter 232, Local Government
- 14 Code, is amended by adding Section 232.0291 to read as follows:
- Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES
- 16 WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) This section
- applies only to a county defined under Section 232.022(a)(2).
- (b) Except as provided by Subsection (d) or Section
- 19 232.037(c), a utility may not serve or connect any subdivided land
- 20 with water or sewer services unless the utility receives a
- 21 certificate issued by the commissioners court under Section
- 22 232.028(a) or receives a determination from the commissioners court
- 23 under Section 232.028(b)(1) that the plat has been reviewed and
- 24 approved by the commissioners court.
- (c) Except as provided by Subsection (d) or Section
- 26 232.037(c), a utility may not serve or connect any subdivided land
- 27 with electricity or gas unless the entity receives a determination

- from the county commissioners court under Section 232.028(b)(2)
- 2 that adequate water and sewer services have been installed to
- 3 service the subdivision.
- 4 (d) An electric, gas, water, or sewer service utility may
- 5 serve or connect subdivided land with water, sewer, electricity,
- 6 gas, or other utility service regardless of whether the utility
- 7 receives a certificate issued by the commissioners court under
- 8 Section 232.028(a) or receives a determination from the
- 9 commissioners court under Section 232.028(b) if the utility is
- 10 provided with a certificate issued by the commissioners court that
- 11 states that:
- 12 (1) the subdivided land:
- (A) was sold or conveyed to the person requesting
- service by any means of conveyance, including a contract for deed or
- 15 executory contract before September 1, 2005;
- 16 (B) is located in a subdivision in which the
- 17 utility has previously provided service; and
- (C) is the site of construction of a residence,
- 19 evidenced by at least the existence of a completed foundation, that
- was begun on or before September 1, 2005; or
- 21 (2) the subdivided land was not subdivided after
- 22 <u>September 1, 2005, and:</u>
- (A) water service is available within 750 feet of
- 24 the subdivided land; or
- 25 (B) water service is available more than 750 feet
- 26 from the subdivided land and the extension of water service to the
- 27 land may be feasible, subject to a final determination by the water

- 1 service provider. 2 (e) A utility may provide utility service to subdivided land 3 described by Subsection (d)(1) only if the person requesting 4 service: 5 (1) is not the land's subdivider or the subdivider's 6 agent; and 7 (2) provides to the utility a certificate described by 8 Subsection (d)(1). 9 (f) A person requesting service may obtain a certificate under Subsection (d)(1) only if the person provides to the 10 11 commissioners court either: 12 (1) documentation containing: 13 (A) a copy of the means of conveyance or other documents that show that the land was sold or conveyed to the person 14 15 requesting service before September 1, 2005; and 16 (B) a notarized affidavit by that person that states that construction of a residence on the land, evidenced by at 17 least the existence of a completed foundation, was begun on or 18 19 before September 1, 2005; or 20 (2) a notarized affidavit by the person requesting service that states that: 21 22 (A) the property was sold or conveyed to that 23 person before September 1, 2005; and 24 (B) construction of a residence on the land, evidenced by at least the existence of a completed foundation, was 25
  - 7

(g) A person requesting service may obtain a certificate

begun on or before September 1, 2005.

26

- 1 under Subsection (d)(2) only if the person provides to the
- 2 commissioners court an affidavit that states that the property was
- 3 not sold or conveyed to that person from a subdivider or the
- 4 <u>subdivider's agent after September 1, 2005.</u>
- 5 (h) On request, the commissioners court shall provide to the
- 6 attorney general and any appropriate local, county, or state law
- 7 enforcement official a copy of any document on which the
  - commissioners court relied in determining the legality of providing
- 9 service.

- 10 (i) This section may not be construed to abrogate any civil
- 11 or criminal proceeding or prosecution or to waive any penalty
- 12 against a subdivider for a violation of a state or local law,
- 13 regardless of the date on which the violation occurred.
- 14 (j) The prohibition established by this section does not
- 15 prohibit an electric or gas utility from providing electric or gas
- 16 <u>utility connection or service to a lot:</u>
- 17 (1) sold, conveyed, or purchased through a contract
- 18 for deed or executory contract or other device by a subdivider
- 19 before September 1, 2005;
- 20 (2) located within a subdivision where the utility has
- 21 previously established service; and
- 22 (3) subdivided by a plat approved before September 1,
- 23 1989.
- 24 (k) In this section, "foundation" means the lowest division
- of a residence, usually consisting of a masonry slab or a pier and
- 26 beam structure, that is partly or wholly below the surface of the
- 27 ground and on which the residential structure rests.

- SECTION 6. Section 232.031, Local Government Code, is
- 2 amended by amending Subsection (a) and adding Subsection (d) to
- 3 read as follows:
- 4 (a) Except as provided by Subsection (d), a [A] subdivider
- 5 may not sell or lease land in a subdivision first platted or
- 6 replatted after July 1, 1995, unless the subdivision plat is
- 7 approved by the commissioners court in accordance with Section
- 8 232.024.
- 9 (d) In a county defined under Section 232.022(a)(2), a
- 10 subdivider may not sell or lease land in a subdivision first platted
- or replatted after September 1, 2005, unless the subdivision plat
- 12 is approved by the commissioners court in accordance with Section
- 232.024.
- 14 SECTION 7. Section 232.038, Local Government Code, is
- 15 amended to read as follows:
- 16 Sec. 232.038. SUIT BY PRIVATE PERSON IN ECONOMICALLY
- 17 DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A]
- 18 person who has purchased or is purchasing a lot after July 1, 1995,
- in a subdivision for residential purposes that does not have water
- 20 and sewer services as required by this subchapter and is located in
- 21 an economically distressed area, as defined by Section 17.921,
- 22 Water Code, from a subdivider, may bring suit in the district court
- 23 in which the property is located or in a district court in Travis
- 24 County to:
- 25 (1) declare the sale of the property void and require
- 26 the subdivider to return the purchase price of the property; and
- 27 (2) recover from the subdivider:

- 1 (A) the market value of any permanent
- 2 improvements the person placed on the property;
- 3 (B) actual expenses incurred as a direct result
- 4 of the failure to provide adequate water and sewer facilities;
- 5 (C) court costs; and
- 6 (D) reasonable attorney's fees.
- 7 (b) If the lot is located in a county defined under Section
- 8 232.022(a)(2), a person may only bring suit under Subsection (a) if
- 9 the person purchased or is purchasing the lot after September 1,
- 10 2005.
- 11 SECTION 8. Subsection (e), Section 232.040, Local
- 12 Government Code, is amended to read as follows:
- (e) Existing utility services to a subdivision that must be
- 14 platted or replatted under this section may not be terminated under
- 15 Section 232.029 or 232.0291.
- SECTION 9. Subsection (b), Section 232.043, Local
- 17 Government Code, is amended to read as follows:
- 18 (b) If the commissioners court makes a written finding that
- 19 the subdivider who created the unplatted subdivision no longer owns
- 20 property in the subdivision, the commissioners court may grant a
- 21 delay or variance under this section only if:
- 22 (1) a majority of the lots in the subdivision were sold
- 23 before:
- 24 (A) September 1, 1995, in a county defined under
- 25 <u>Section 232.022(a)(1); or</u>
- 26 (B) September 1, 2005, in a county defined under
- 27 <u>Section 232.022(a)(2);</u>

S.B. No. 425

- 1 (2) a majority of the resident purchasers in the 2 subdivision sign a petition supporting the delay or variance;
- 3 (3) the person requesting the delay or variance 4 submits to the commissioners court:
- (A) a description of the water and sewer service facilities that will be constructed or installed to service the subdivision;
- 8 (B) a statement specifying the date by which the 9 water and sewer service facilities will be fully operational; and
- (C) a statement signed by an engineer licensed in this state certifying that the plans for the water and sewer facilities meet the minimum state standards;
- (4) the commissioners court finds that the unplatted subdivision at the time the delay or variance is requested is developed in a manner and to an extent that compliance with specific platting requirements is impractical or contrary to the health or safety of the residents of the subdivision; and
- 18 (5) the subdivider who created the unplatted 19 subdivision has not violated local law, federal law, or state law, 20 excluding this chapter, in subdividing the land for which the delay 21 or variance is requested, if the subdivider is the person 22 requesting the delay or variance.
- SECTION 10. Section 232.106, Local Government Code, is amended to read as follows:
- Sec. 232.106. CONNECTION OF UTILITIES. By an order adopted and entered in the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the

- 1 county, the commissioners court may impose the requirements of
- 2 Section 232.029 or 232.0291.
- 3 SECTION 11. Subdivision (2), Section 775.001, Government
- 4 Code, is amended to read as follows:
- 5 (2) "Colonia" means a geographic area that:
- 6 (A) is an economically distressed area as defined
- 7 by Section 17.921, Water Code; and
- 8 (B) is:
- 9 <u>(i)</u> located in a county any part of which is
- 10 within 50 miles of an international border; or
- 11 (ii) located in a county:
- 12 (a) any part of which is within 100
- 13 miles of an international border; and
- (b) that contains the majority of the
- area of a municipality with a population of more than 250,000.
- 16 SECTION 12. Section 775.003, Government Code, is amended to
- 17 read as follows:
- 18 Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. The colonia
- 19 initiatives coordinator may appoint a colonia ombudsman in:
- 20 (1) each of the six border counties that the
- 21 coordinator determines have the largest colonia populations; and
- 22 (2) each additional county any part of which is within
- 23 100 miles of an international border and that contains the majority
- 24 of the area of a municipality with a population of more than
- 25 <u>250,000</u>.
- SECTION 13. Section 37.153, Utilities Code, is amended to
- 27 read as follows:

- 1 Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate
- 2 holder shall refuse to serve a customer in the holder's
- 3 certificated area if the holder is prohibited from providing the
- 4 service under Section 212.012, [ex] 232.029, or 232.0291, Local
- 5 Government Code.
- 6 SECTION 14. Section 54.254, Utilities Code, is amended to
- 7 read as follows:
- 8 Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a
- 9 certificate of convenience and necessity, a certificate of
- 10 operating authority, or a service provider certificate of operating
- 11 authority shall refuse to serve a customer in the holder's
- 12 certificated area if the holder is prohibited from providing the
- 13 service under Section 212.012, [ex] 232.029, or 232.0291, Local
- 14 Government Code.
- 15 SECTION 15. Subdivision (1), Section 16.341, Water Code, is
- 16 amended to read as follows:
- 17 (1) "Affected county" means a county:
- 18 (A) that has a per capita income that averaged 25
- 19 percent below the state average for the most recent three
- 20 consecutive years for which statistics are available and an
- 21 unemployment rate that averaged 25 percent above the state average
- 22 for the most recent three consecutive years for which statistics
- 23 are available; [or]
- (B) that is adjacent to an international border;
- 25 <u>or</u>
- 26 (C) that is located in whole or in part within 100
- 27 miles of an international border and contains the majority of the

- area of a municipality with a population of more than 250,000.
- 2 SECTION 16. Section 17.923, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE.
- 5 To be eligible for financial assistance under this subchapter, a
- 6 county:
- 7 (1) must have a per capita income that averaged 25
- 8 percent below the state average for the most recent three
- 9 consecutive years for which statistics are available and an
- 10 unemployment rate that averaged 25 percent above the state average
- 11 for the most recent three consecutive years for which statistics
- 12 are available; [ex]
- 13 (2) must be located adjacent to an international
- 14 border; or
- 15 (3) must be located in whole or in part within 100
- 16 miles of an international border and contain the majority of the
- 17 area of a municipality with a population of more than 250,000.
- SECTION 17. This Act takes effect September 1, 2005.

## **COMMITTEE REPORT**

The Honorable Tom Craddick
Speaker of the House of Representatives

5 18 05

Sir:								
We, your COMMITTEE ON BORE	ER AND INTERNAT	IONAL AFFAIRS						
to whom was referredSE back with the recommendation that	· · · · · · · · · · · · · · · · · · ·	have had th	ne same under conside	ration and beg to report				
<ul> <li>do pass, without amendment.</li> <li>do pass, with amendment(s).</li> <li>do pass and be not printed; a</li> </ul>		Substitute is recom	mended in lieu of the o	riginal measure.				
( yes ( ) no A fiscal note v	yes ( ) no A fiscal note was requested.							
) yes ( no A criminal justice policy impact statement was requested.								
) yes ( no An equalized educational funding impact statement was requested.								
( ) yes ( no An actuarial a	( ) yes ( no An actuarial analysis was requested.							
( ) yes ( no A water devel	opment policy impact	statement was requ	ested.					
( ) yes ( ) no A tax equity n	ote was requested.							
The Committee recommends	that this measure be	sent to the Committe	ee on Local and Conse	nt Calendars.				
For Senate Measures: House Sp	onsor LUN.	<u>a</u>						
Joint Sponsors: Seama	m /	,	,					
Co-Sponsors:				array of the land				
The measure was reported from C	committee by the follo	wina vote:						
	AYE	NAY	PNV	ABSENT				
Chavez, Chair	V							
Griggs, Vice-chair								
Alonzo	V,							
Castro								
Merritt								
Moreno, d.	ļ							
Vo								
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	ye ay	Man	nner Gä	N/Z				
$\Gamma$	resent, not voting bsent	CHAIR	•					

#### **BILL ANALYSIS**

S.B. 425 By: Hinojosa Border and International Affairs Engrossed

## BACKGROUND AND PURPOSE

Current law regulating colonias is only applicable to counties within 50 miles of the Texas-Mexico border, yet some colonias exist outside of that region. Texas A&M University engineers approximate that close to 90 colonias exist in Nueces County alone, with living conditions in these colonias similar to that of third world countries.

Senate Bill 425 allows a county that is located within 100 miles of an international border and that contains a city with a population of more than 250,000 to regulate subdivision platting requirements and utility services and receive assistance from the state.

## **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

- SECTION 1 Amends Sections 212.012(c), (e), and (f), Local Government Code, to authorize the following entities:
  - a municipality and officials of a municipality that provides water, sewer, electricity, gas, or other utility service;
  - a municipally owned or municipally operated utility that provides any of those services;
  - a public utility that provides any of those services;
  - a water supply or sewer service corporation organized and operating under Chapter 67, Water Code, that provides any of those services;
  - a county that provides any of those services; and
  - a special district or authority created by or under state law that provides any of those services

to serve or connect land with water, sewer, electricity, gas, or other utility service regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under Section 212.0115, Local Government Code, if the municipal authority responsible for approving plats issues a certificate stating that the land:

- 1) was sold or conveyed to the person requesting service by any means of conveyance, including a contract for deed or executory contract, before September 1, 1995, in a county any part of which is located within 50 miles of an international border or before September 1, 2005, in a county any part of which is located within 100 miles if an international border that contains the majority of a municipality with a population of more than 250,000;
- 2) is the site of construction of a residence, evidenced by at least the existence of a completed foundation, that was begun on or before May 1, 1997 under Section 232.022(a)(1), Local Government Code, or September 1, 2005, in a county defined under Section 232.022(a)(2); Local Government Code; or
- 3) was not subdivided after September 1, 1995, in a county defined under Section 232.022(a)(1), Local Government Code, or September 1, 2005, in a county defined under Section 232.022(a)(2), Local Government Code, and certain conditions exist relating to the availability of water service.

Amends Subsections (e) and (f) of Section 212.012, Local Government Code, to make conforming and nonsubstantive changes.

SECTION 2 Amends Section 232.022, Local Government, by amending Subsections (a) and (c) and adding Subsection (c-1).

Provides that Subchapter B, Chapter 232, Local Government Code, applies only to a county any part of which is located within 50 miles of an international border or any part of which is located within 100 miles if an international border that contains the majority of a municipality with a population of more than 250,000

Provides that, except as provided by Subsection (c-1), for the purposes of this section, land is considered to be in the jurisdiction of a county if the land is located in the county and outside the corporate limits of the municipalities. Subsection (c-1) provides that the land in a municipality's extraterritorial jurisdiction is not considered to be in the jurisdiction of a county for the purposes of this section if the municipality and the county have entered into a written agreement under Section 242.001, Local and Government Code, that authorizes the municipality to regulate subdivision plats and approve related permits in the municipality's extraterritorial jurisdiction.

SECTION 3 Amends the heading to Section 232.029, Local Government Code, to read as follows:

Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50 MILES OF INTERNATIONAL BORDER.

- SECTION 4 Amends Section 232.029, Local Government Code, by relettering Subsection (a) as Subsection (a-1) and adding a new Subsection (a) to provide that Section 232.029, Local Government Code, only applies to a county defined under Section 232.022(a)(1), Local Government Code.
- SECTION 5 Amends Subchapter B, Chapter 232, by adding Section 232.0291, Local Government Code, relating to the connection of utilities in certain counties within 100 miles of the international border.

Provides that Section 232.0291, Local Government Code, applies only to a county defined under Section 232.022(a)(2), Local Government Code.

Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), Local Government Code, from serving or connecting any subdivided land with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.028(a), Local Government Code, or receives a determination from the commissioners court under Section 232.028(b)(1), Local Government Code, that the plat has been reviewed and approved by the commissioners court.

Prohibits a utility, except as provided by Subsection (d) or Section 232.037(c), Local Government Code, from serving or connecting any subdivided land with electricity or gas unless the entity receives a determination from the county commissioners court under Section 232.028(b)(2), Local Government Code, that adequate water and sewer services have been installed to service the subdivision.

Section 232.029(d), Local Government Code, authorizes an electric, gas, water, or sewer service utility to serve or connect subdivided land with water, sewer, electricity, gas, or other utility service regardless of whether the utility receives a certificate issued by the commissioners court under Section 232.028(a), Local Government Code, or receives a determination from the commissioners court under Section 232.028(b), Local Government Code, if the utility is provided with a certificate issued by the commissioners court that states 1) the subdivided land was sold or conveyed to the person requesting service by any means of

conveyance, including a contract for deed or executory contract before September 1, 2005, is located in a subdivision in which the utility has previously provided service, and is the site of construction of a residence, evidenced by at least the existence of a completed foundation, that was begun on or before September 1, 2005; or 2) the subdivided land was not subdivided after September 1, 2005, and water service is available within 750 feet of the subdivided land or water service is available more than 750 feet from the subdivided land and the extension of water service to the land may be feasible, subject to a final determination by the water service provider.

Authorizes a utility to provide service to subdivided land described by Section 232.0291(d)(1), Local Government Code, only if the person requesting the service is not the land's subdivider or the subdivider's agent and provides to the utility a certificate described by the above referenced subsection.

A person requesting service may obtain a certificate under Section 232.0291(d)(1), Local Government Code, only if the person provides to the commissioners court either 1) documentation containing a copy of the means of conveyance or other documents that show that the land was sold or conveyed to the person requesting service before September 1, 2005, and a notarized affidavit by that person that states that construction of a residence on the land, evidenced by at least the existence of a completed foundation, was begun on or before September 1, 2005; or, 2) a notarized affidavit by the person requesting service that states that the property was sold or conveyed to that person before September 1, 2005, and construction of a residence on the land, evidenced by at least the existence of a completed foundation, was begun on or before September 1, 2005.

A person requesting service may obtain a certificate under Section 232.0291(d)(2), Local Government Code, only if the person provides to the commissioners court an affidavit that states that property was not sold or conveyed to that person from a subdivider or the subdivider's agent after September 1, 2005.

Requires the commissioners court, on request, to provide to the attorney general and any appropriate local, county, or state law enforcement official a copy of any document on which the commissioners court relied in determining the legality of providing service.

Section 232.0291, Local Government Code, may not be construed to abrogate any civil or criminal proceeding or prosecution or to waive any penalty against a subdivider for a violation of a state or local law, regardless of the date on which the violation occurred.

The prohibition established by Section 232.0291, Local Government Code, does not prohibit an electric or gas utility from providing electric or gas utility connection or service to a lot sold, conveyed, or purchased through a contract for deed or executory contract or other device by a subdivider before September 1, 2005, located within a subdivision where the utility has previously established service, and subdivided by a plat approved before September 1, 1989.

Defines "foundation".

SECTION 6 Amends Section 232.031, Local Government Code, by amending Subsection (a) to make an exception as provided by Subsection (d) in the Section and adding Subsection (d) to prohibit a subdivider, in a county defined under Section 232.022(a)(2), Local and Government Code, from selling or leasing land in a subdivision first platted or replatted after September 1, 2005, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.024, Local Government Code.

- SECTION 7 Amends Section 232.038, Local Government Code, to add an exception as provided by Subsection (b) of the Section and to authorize a person, if the lot is located in a county defined under Section 232.022(a)(2), Local Government Code, to only bring suit under Subsection (a) of the Section if the person purchased or is purchasing the lot after September 1, 2005.
- SECTION 8 Amends Section 232.040(e), Local Government Code, to provide that existing utility services to a subdivision that must be platted or replatted under this Section may not be terminated under Section 232.0291, Local Government Code.
- SECTION 9 Amends Section 232.043(b), Local Government Code, to authorize the commissioners court, if the commissioners court makes a written finding that the subdivider who created the unplatted subdivision no longer owns property in the subdivision, to grant a delay or variance under this section only if a majority of lots in the subdivision were sold before September 1, 1995, in a county defined under Section 232.022(a)(1), Local Government Code, or September 1, 2005, in a county defined under Section 232.022(a)(2), Local Government Code, and other stipulations are met.
- SECTION 10 Amends Section 232.106, Local Government Code, to authorize the commissioners court to, by an adopted order and entered into the minutes of the commissioners court, and after a notice is published in a newspaper of general circulation in the county, impose the requirements of Section 232.0291, Local Government Code.
- SECTION 11 Amends Section 775.001(2), Government Code, to redefine "colonia".
- SECTION 12 Amends Section 775.003, Government Code, to authorize the colonia initiatives coordinator to appoint a colonia ombudsman in each additional county any part of which is within 100 miles of an international border and that contains a municipality with a population of more than 250,000.
- SECTION 13 Amends Section 37.153, Utilities Code, to require a certificate holder to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.
- SECTION 14 Amends Section 54.254, Utilities Code, to require a holder of a certificate of convenience and necessity, a certificate of operating authority, or a service provider certificate of operating authority, to refuse to serve a customer in the holder's certificated area if the holder is prohibited from providing the service under Section 232.0291, Local Government Code.
- SECTION 15 Amends Section 16.341(1), Water Code, to redefine "affected county."
- SECTION 16 Amends Section 17.923, Water Code, to require that to be eligible for financial assistance under Subchapter K, Chapter 17, Water Code, a county must meet at least one condition, one of those being that it is located in whole or in part within 100 miles of an international border and contain a municipality with a population of more than 250,000.
- SECTION 17 The Act takes effect September 1, 2005.

#### **EFFECTIVE DATE**

September 1, 2005

### SUMMARY OF COMMITTEE ACTION

**SB 425** 

May 16, 2005

8:00AM

Considered in public hearing
Testimony taken in committee (See attached witness list.)
Left pending in committee

May 18, 2005

upon final adjourn./recess

Considered in formal meeting
Recommended to be sent to Local & Consent
Reported favorably without amendment(s)

#### WITNESS LIST

SB 425 HOUSE COMMITTEE REPORT Border and International Affairs Committee

May 16, 2005 - 8:00AM

Reed, Cyrus (Lone Star Chapter of Sierra Club) For:

On:

Henneberger, John (Texas Low Income Housing Information Service & Border Low Income Housing Coalition) Madera, Jr., Ignacio (Texas Water Development Board) Steinberg, Jonathan (Texas Water Development Board)

## FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### May 9, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain

counties near an international border.), As Engrossed

### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

### Local Government Impact

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, CL, DLBa

## FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 7, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), Committee Report 1st House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

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#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 1, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), As Introduced

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 150 miles of the international border and that contains a municipality with a population of 250,000 or more. Nueces County is currently the only county to which the specification of a county within 150 miles of the international border that has a municipality with a population of 250,000 or more applies.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 150 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

1 AN ACT 2 relating to subdivision platting requirements and assistance for 3 certain counties near an international border. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 SECTION 1. Subsections (c), (e), and (f), Section 212.012, 6 Local Government Code, are amended to read as follows: 7 An entity described by Subsection (b) may serve or 8 connect land with water, sewer, electricity, gas, or other utility 9 service regardless of whether the entity is presented with or 10 otherwise holds a certificate applicable to the land issued under Section 212.0115 if: 11 12 (1) the land is covered by a development plat approved 13 under Subchapter B or under an ordinance or rule relating to the 14 development plat; 15 (2) the land was first served or connected with service by an entity described by Subsection (b)(1), (b)(2), or 16 (b)(3) before September 1, 1987; 17 18 (3) the land was first served or connected with service by an entity described by Subsection (b)(4), (b)(5), or 19 20 (b)(6) before September 1, 1989; or 21 the municipal authority responsible for approving 22 plats issues a certificate stating that: 23 (A) the land: 24 (i) [before September 1, 1995,] was sold or

- 1 conveyed to the person requesting service by any means of
- 2 conveyance, including a contract for deed or executory contract,
- 3 before:
- 4 (a) September 1, 1995, in a county
- 5 defined under Section 232.022(a)(1); or
- 6 (b) September 1, 2005, in a county
- 7 defined under Section 232.022(a)(2);
- 8 (ii) is located in a subdivision in which
- 9 the entity has previously provided service;
- 10 (iii) is located outside the limits of the
- 11 municipality;
- 12 (iv) is located in a county to which
- 13 Subchapter B, Chapter 232, applies; and
- 14 (v) is the site of construction of a
- 15 residence, evidenced by at least the existence of a completed
- 16 foundation, that was begun on or before:
- 17 (a) May 1, 1997, in a county defined
- 18 under Section 232.022(a)(1); or
- 19 (b) September 1, 2005, in a county
- 20 defined under Section 232.022(a)(2); or
- 21 (B) the land was not subdivided after September
- 22 1, 1995, in a county defined under Section 232.022(a)(1), or
- 23 September 1, 2005, in a county defined under Section 232.022(a)(2),
- 24 and:
- 25 (i) water service is available within 750
- 26 feet of the subdivided land; or
- 27 (ii) water service is available more than

- 1 750 feet from the subdivided land and the extension of water service
- 2 to the land may be feasible, subject to a final determination by the
- 3 water service provider.
- 4 (e) A person requesting service may obtain a certificate
- 5 under Subsection (c)(4)(A) only if the person provides to the
- 6 municipal authority responsible for approving plats either:
- 7 (1) a copy of the means of conveyance or other
- 8 documents that show that the land was sold or conveyed to the person
- 9 requesting service before September 1, 1995, or before September 1,
- 10 2005, as applicable, and a notarized affidavit by that person that
- 11 states that construction of a residence on the land, evidenced by at
- 12 least the existence of a completed foundation, was begun on or
- 13 before May 1, 1997, or on or before September 1, 2005, as
- 14 applicable; or
- 15 (2) a notarized affidavit by the person requesting
- 16 service that states that the property was sold or conveyed to that
- 17 person before September 1, 1995, or before September 1, 2005, as
- 18 applicable, and that construction of a residence on the land,
- 19 evidenced by at least the existence of a completed foundation, was
- begun on or before May 1, 1997, or on or before September 1, 2005, as
- 21 applicable.
- 22 (f) A person requesting service may obtain a certificate
- 23 under Subsection (c)(4)(B) only if the person provides to the
- 24 municipal authority responsible for approving plats an affidavit
- 25 that states that the property was not sold or conveyed to that
- 26 person from a subdivider or the subdivider's agent after September
- 27 1, 1995, or after September 1, 2005, as applicable.

- 1 SECTION 2. Section 232.022, Local Government Code, is
- 2 amended by amending Subsections (a) and (c) and adding Subsection
- 3 (c-1) to read as follows:
- 4 (a) This subchapter applies only to:
- 5 (1) a county any part of which is located within 50
- 6 miles of an international border; or
- 7 <u>(2) a county:</u>
- 8 (A) any part of which is located within 100 miles
- 9 of an international border;
- 10 (B) that contains the majority of the area of a
- 11 municipality with a population of more than 250,000; and
- 12 (C) to which Subdivision (1) does not apply.
- (c) Except as provided by Subsection (c-1), for [For]
- 14 purposes of this section, land is considered to be in the
- 15 jurisdiction of a county if the land is located in the county and
- 16 outside the corporate limits of municipalities.
- 17 (c-1) Land in a municipality's extraterritorial
- 18 jurisdiction is not considered to be in the jurisdiction of a county
- 19 for purposes of this section if the municipality and the county have
- 20 <u>entered into a written agreement under Section 242.001 that</u>
- 21 <u>authorizes the municipality to regulate subdivision plats and</u>
- 22 approve related permits in the municipality's extraterritorial
- 23 jurisdiction.
- SECTION 3. The heading to Section 232.029, Local Government
- 25 Code, is amended to read as follows:
- Sec. 232.029. CONNECTION OF UTILITIES IN COUNTIES WITHIN 50
- 27 <u>MILES OF INTERNATIONAL BORDER</u>.

- 1 SECTION 4. Section 232.029, Local Government Code, is
- 2 amended by relettering Subsection (a) as Subsection (a-1) and
- 3 adding a new Subsection (a) to read as follows:
- 4 (a) This section applies only to a county defined under
  5 Section 232.022(a)(1).
- 6 (a-1) Except as provided by Subsection (c) or Section
  7 232.037(c), a utility may not serve or connect any subdivided land
  8 with water or sewer services unless the utility receives a
  9 certificate issued by the commissioners court under Section
  10 232.028(a) or receives a determination from the commissioners court
- 11 under Section 232.028(b)(1) that the plat has been reviewed and
- 12 approved by the commissioners court.
- SECTION 5. Subchapter B, Chapter 232, Local Government Code, is amended by adding Section 232.0291 to read as follows:
- 15 Sec. 232.0291. CONNECTION OF UTILITIES IN CERTAIN COUNTIES
- 16 WITHIN 100 MILES OF INTERNATIONAL BORDER. (a) This section
- applies only to a county defined under Section 232.022(a)(2).
- 18 (b) Except as provided by Subsection (d) or Section
- 19 232.037(c), a utility may not serve or connect any subdivided land
- 20 with water or sewer services unless the utility receives a
- 21 <u>certificate</u> issued by the commissioners court under Section
- 22 232.028(a) or receives a determination from the commissioners court
- 23 under Section 232.028(b)(1) that the plat has been reviewed and
- 24 approved by the commissioners court.
- (c) Except as provided by Subsection (d) or Section
- 26 232.037(c), a utility may not serve or connect any subdivided land
- 27 with electricity or gas unless the entity receives a determination

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- from the county commissioners court under Section 232.028(b)(2)
- 2 that adequate water and sewer services have been installed to
- 3 service the subdivision.
- 4 (d) An electric, gas, water, or sewer service utility may
- 5 serve or connect subdivided land with water, sewer, electricity,
- 6 gas, or other utility service regardless of whether the utility
- 7 receives a certificate issued by the commissioners court under
- 8 Section 232.028(a) or receives a determination from the
- 9 commissioners court under Section 232.028(b) if the utility is
- 10 provided with a certificate issued by the commissioners court that
- 11 states that:
- 12 <u>(1) the subdivided land:</u>
- 13 (A) was sold or conveyed to the person requesting
- service by any means of conveyance, including a contract for deed or
- executory contract before September 1, 2005;
- 16 (B) is located in a subdivision in which the
- 17 utility has previously provided service; and
- (C) is the site of construction of a residence,
- 19 evidenced by at least the existence of a completed foundation, that
- was begun on or before September 1, 2005; or
- (2) the subdivided land was not subdivided after
- 22 <u>September 1, 2005, and:</u>
- (A) water service is available within 750 feet of
- 24 the subdivided land; or
- (B) water service is available more than 750 feet
- 26 from the subdivided land and the extension of water service to the
- 27 land may be feasible, subject to a final determination by the water

1	service provider.
2	(e) A utility may provide utility service to subdivided land
3	described by Subsection (d)(1) only if the person requesting
4	service:
5	(1) is not the land's subdivider or the subdivider's
6	agent; and
7	(2) provides to the utility a certificate described by
8	Subsection (d)(1).
9	(f) A person requesting service may obtain a certificate
10	under Subsection (d)(1) only if the person provides to the
11	<pre>commissioners court either:</pre>
12	(1) documentation containing:
13	(A) a copy of the means of conveyance or other
14	documents that show that the land was sold or conveyed to the person
15	requesting service before September 1, 2005; and
16	(B) a notarized affidavit by that person that
17	states that construction of a residence on the land, evidenced by at
18	least the existence of a completed foundation, was begun on or
19	before September 1, 2005; or
20	(2) a notarized affidavit by the person requesting
21	service that states that:
22	(A) the property was sold or conveyed to that
23	person before September 1, 2005; and
24	(B) construction of a residence on the land,
25	evidenced by at least the existence of a completed foundation, was
26	hegun on or hefore Sentember 1 2005

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(g) A person requesting service may obtain a certificate

- 1 under Subsection (d)(2) only if the person provides to the
- 2 commissioners court an affidavit that states that the property was
- 3 not sold or conveyed to that person from a subdivider or the
- 4 <u>subdivider's agent after September 1, 2005.</u>
- 5 (h) On request, the commissioners court shall provide to the
- 6 attorney general and any appropriate local, county, or state law
- 7 enforcement official a copy of any document on which the
- 8 commissioners court relied in determining the legality of providing
- 9 service.
- 10 (i) This section may not be construed to abrogate any civil
- 11 or criminal proceeding or prosecution or to waive any penalty
- 12 against a subdivider for a violation of a state or local law,
- 13 regardless of the date on which the violation occurred.
- 14 (j) The prohibition established by this section does not
- 15 prohibit an electric or gas utility from providing electric or gas
- 16 <u>utility connection or service to a lot:</u>
- 17 (1) sold, conveyed, or purchased through a contract
- 18 for deed or executory contract or other device by a subdivider
- before September 1, 2005;
- 20 (2) located within a subdivision where the utility has
- 21 previously established service; and
- 22 (3) subdivided by a plat approved before September 1,
- 23 1989.
- (k) In this section, "foundation" means the lowest division
- of a residence, usually consisting of a masonry slab or a pier and
- 26 beam structure, that is partly or wholly below the surface of the
- 27 ground and on which the residential structure rests.

- 1 SECTION 6. Section 232.031, Local Government Code, is
- 2 amended by amending Subsection (a) and adding Subsection (d) to
- 3 read as follows:
- 4 (a) Except as provided by Subsection (d), a [A] subdivider
- 5 may not sell or lease land in a subdivision first platted or
- 6 replatted after July 1, 1995, unless the subdivision plat is
- 7 approved by the commissioners court in accordance with Section
- 8 232.024.
- 9 (d) In a county defined under Section 232.022(a)(2), a
- 10 subdivider may not sell or lease land in a subdivision first platted
- or replatted after September 1, 2005, unless the subdivision plat
- 12 is approved by the commissioners court in accordance with Section
- 13 232.024.
- 14 SECTION 7. Section 232.038, Local Government Code, is
- 15 amended to read as follows:
- 16 Sec. 232.038. SUIT BY PRIVATE PERSON IN ECONOMICALLY
- 17 DISTRESSED AREA. (a) Except as provided by Subsection (b), a [A]
- 18 person who has purchased or is purchasing a lot after July 1, 1995,
- in a subdivision for residential purposes that does not have water
- 20 and sewer services as required by this subchapter and is located in
- 21 an economically distressed area, as defined by Section 17.921,
- 22 Water Code, from a subdivider, may bring suit in the district court
- 23 in which the property is located or in a district court in Travis
- 24 County to:
- 25 (1) declare the sale of the property void and require
- the subdivider to return the purchase price of the property; and
- 27 (2) recover from the subdivider:

- 1 (A) the market value of any permanent
- 2 improvements the person placed on the property;
- 3 (B) actual expenses incurred as a direct result
- 4 of the failure to provide adequate water and sewer facilities;
- 5 (C) court costs; and
- 6 (D) reasonable attorney's fees.
- 7 (b) If the lot is located in a county defined under Section
- 8 232.022(a)(2), a person may only bring suit under Subsection (a) if
- 9 the person purchased or is purchasing the lot after September 1,
- 10 2005.
- 11 SECTION 8. Subsection (e), Section 232.040, Local
- 12 Government Code, is amended to read as follows:
- (e) Existing utility services to a subdivision that must be
- 14 platted or replatted under this section may not be terminated under
- 15 Section 232.029 or 232.0291.
- 16 SECTION 9. Subsection (b), Section 232.043, Local
- 17 Government Code, is amended to read as follows:
- 18 (b) If the commissioners court makes a written finding that
- 19 the subdivider who created the unplatted subdivision no longer owns
- 20 property in the subdivision, the commissioners court may grant a
- 21 delay or variance under this section only if:
- 22 (1) a majority of the lots in the subdivision were sold
- 23 before:
- 24 (A) September 1, 1995, in a county defined under
- 25 <u>Section 232.022(a)(1); or</u>
- (B) September 1, 2005, in a county defined under
- 27 <u>Section 232.022(a)(2);</u>

- 1 (2) a majority of the resident purchasers in the
- 2 subdivision sign a petition supporting the delay or variance;
- 3 (3) the person requesting the delay or variance
- 4 submits to the commissioners court:
- 5 (A) a description of the water and sewer service
- 6 facilities that will be constructed or installed to service the
- 7 subdivision;
- 8 (B) a statement specifying the date by which the
- 9 water and sewer service facilities will be fully operational; and
- 10 (C) a statement signed by an engineer licensed in
- 11 this state certifying that the plans for the water and sewer
- 12 facilities meet the minimum state standards;
- 13 (4) the commissioners court finds that the unplatted
- 14 subdivision at the time the delay or variance is requested is
- developed in a manner and to an extent that compliance with specific
- 16 platting requirements is impractical or contrary to the health or
- 17 safety of the residents of the subdivision; and
- 18 (5) the subdivider who created the unplatted
- 19 subdivision has not violated local law, federal law, or state law,
- 20 excluding this chapter, in subdividing the land for which the delay
- 21 or variance is requested, if the subdivider is the person
- 22 requesting the delay or variance.
- SECTION 10. Section 232.106, Local Government Code, is
- 24 amended to read as follows:
- Sec. 232.106. CONNECTION OF UTILITIES. By an order adopted
- 26 and entered in the minutes of the commissioners court, and after a
- 27 notice is published in a newspaper of general circulation in the

- 1 county, the commissioners court may impose the requirements of
- 2 Section 232.029 or 232.0291.
- 3 SECTION 11. Subdivision (2), Section 775.001, Government
- 4 Code, is amended to read as follows:
- 5 (2) "Colonia" means a geographic area that:
- 6 (A) is an economically distressed area as defined
- 7 by Section 17.921, Water Code; and
- 8 (B) is:
- 9 (i) located in a county any part of which is
- 10 within 50 miles of an international border; or
- 11 (ii) located in a county:
- 12 (a) any part of which is within 100
- 13 miles of an international border; and
- (b) that contains the majority of the
- area of a municipality with a population of more than 250,000.
- SECTION 12. Section 775.003, Government Code, is amended to
- 17 read as follows:
- 18 Sec. 775.003. COLONIA OMBUDSMAN PROGRAM. The colonia
- initiatives coordinator may appoint a colonia ombudsman in:
- 20 (1) each of the six border counties that the
- 21 coordinator determines have the largest colonia populations; and
- (2) each additional county any part of which is within
- 23 100 miles of an international border and that contains the majority
- 24 of the area of a municipality with a population of more than
- 25 250,000.
- SECTION 13. Section 37.153, Utilities Code, is amended to
- 27 read as follows:

- 1 Sec. 37.153. REQUIRED REFUSAL OF SERVICE. A certificate
- 2 holder shall refuse to serve a customer in the holder's
- 3 certificated area if the holder is prohibited from providing the
- 4 service under Section 212.012, [ex] 232.029, or 232.0291, Local
- 5 Government Code.
- 6 SECTION 14. Section 54.254, Utilities Code, is amended to
- 7 read as follows:
- 8 Sec. 54.254. REQUIRED REFUSAL OF SERVICE. A holder of a
- 9 certificate of convenience and necessity, a certificate of
- 10 operating authority, or a service provider certificate of operating
- 11 authority shall refuse to serve a customer in the holder's
- 12 certificated area if the holder is prohibited from providing the
- 13 service under Section 212.012, [ex] 232.029, or 232.0291, Local
- 14 Government Code.
- SECTION 15. Subdivision (1), Section 16.341, Water Code, is
- 16 amended to read as follows:
- 17 (1) "Affected county" means a county:
- 18 (A) that has a per capita income that averaged 25
- 19 percent below the state average for the most recent three
- 20 consecutive years for which statistics are available and an
- 21 unemployment rate that averaged 25 percent above the state average
- 22 for the most recent three consecutive years for which statistics
- 23 are available; [or]
- 24 (B) that is adjacent to an international border;
- 25 <u>or</u>
- (C) that is located in whole or in part within 100
- 27 miles of an international border and contains the majority of the

- 1 area of a municipality with a population of more than 250,000.
- 2 SECTION 16. Section 17.923, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 17.923. COUNTY ELIGIBILITY FOR FINANCIAL ASSISTANCE.
- 5 To be eligible for financial assistance under this subchapter, a
- 6 county:
- 7 (1) must have a per capita income that averaged 25
- 8 percent below the state average for the most recent three
- 9 consecutive years for which statistics are available and an
- 10 unemployment rate that averaged 25 percent above the state average
- 11 for the most recent three consecutive years for which statistics
- 12 are available; [ex]
- 13 (2) must be located adjacent to an international
- 14 border; or
- 15 (3) must be located in whole or in part within 100
- 16 miles of an international border and contain the majority of the
- 17 area of a municipality with a population of more than 250,000.
- SECTION 17. This Act takes effect September 1, 2005.

President of the Senate	Speaker of the House
I hereby certify that	S.B. No. 425 passed the Senate on
April 21, 2005, by the following	ng vote: Yeas 31, Nays 0.
	Secretary of the Senate
I hereby certify that	S.B. No. 425 passed the House on
May 25, 2005, by a non-record v	ote.
	Chief Clerk of the House
Approved:	
Date	-
Governor	-

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### May 9, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), As Engrossed

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, CL, DLBa

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### **April 7, 2005**

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), Committee Report 1st House, Substituted

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 100 miles of the international border and that contains the majority of the area of a municipality with a population of 250,000 or more. Certain land in a municipality's extraterritorial jurisdiction could be excluded from applicability.

Nueces County is currently the only county to which the specification applies that a county must be within 100 miles of the international border and that contains the majority of the area of a municipality with a population of more than 250,000.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### **Local Government Impact**

The changes to the Local Government Code that would apply to counties within 50 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

#### FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

#### April 1, 2005

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB425 by Hinojosa (Relating to subdivision platting requirements and assistance for certain counties near an international border.), As Introduced

#### No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to serving or connecting land with water, sewer, electricity, gas, or other utility service by a municipality, county, special district, or certain water supply or sewer service corporation to specify applicability in counties located within 50 miles of the border of Mexico and a county located within 150 miles of the international border and that contains a municipality with a population of 250,000 or more. Nueces County is currently the only county to which the specification of a county within 150 miles of the international border that has a municipality with a population of 250,000 or more applies.

The bill would also include Nueces County when addressing connection of utilities in counties within 50 miles of the Mexico border, and would add a new section to the Local Government Code that applies only to Nueces County regarding connection of utilities.

Nueces County would be included with international border counties with regard to lawsuits by private persons in economically distressed areas as those suits relate to the purchase of property that does not have water and sewer services and with regard to variance from platting requirements.

Additionally, the bill would amend the Government Code, the Utilities Code, and the Water Code to include Nueces County as a colonia, as a county relating to refusal or prohibition of service, and as a county eligible for financial assistance.

The bill would take effect September 1, 2005.

#### Local Government Impact

The changes to the Local Government Code that would apply to counties within 150 miles of an international border do not make substantial changes to how the code affects those counties; therefore, the fiscal impact would be insignificant.

The changes in the Local Government Code and the other codes listed would apply only to Nueces County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, DLBa

President of the Se	nate		S	peaker of	the	House	
I hereby certify							
April 21, 2005. Nays _O	рy	the	LOTIOMI	ng VOTE	: <b>Y</b> (	eas <u>3</u>	
		•	Se	cretary o	f the	Senate	
I hereby certify							
May 25, 2005.	paV	t,he-	followi	ng vote	: Y	eas	
Mays	2	a p	10n-rece	nd vote	•		_
			Ch	ief Clerk	of t	he Hous	e
Approved:							
Date							
Governor							

## A BILL TO BE ENTITLED

By Aini

AN ACT relating to subdivision platting requirements and assistance for certain counties near an international border.

FEB 0 9 2005	Filed with the Secretary of the Senate
FEB 1 5 2005	Read and referred to Committee on
	Reported favorably
APR 1 2 2005	Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.  Ordered not printed
APR 2 1 2005	Laid before the Senate
	Senate and Constitutional Rules to permit consideration suspended by:  \[ \begin{align*} \text{unanimous consent} \\ \text{unanimous permit} \\ \text{nays} \end{align*}
APR 2 1 2005	Read second time,, and ordered engrossed by:
APR 2 1 2005	Senate and Constitutional 3 Day Rule suspended by a vote of 31 yeas, 0 nays.
APR 2 1 2005	Read third time,, and passed by: $\begin{cases} \frac{A \text{ viva voce vote}}{3/\text{ yeas}}, & \text{on a passed by} \end{cases}$
	yeas, mays
	Later Draw
	SECRETARY OF THE SENATE
OTHER ACTION	:
Paril 212005	Engrossed
<del></del>	Sent to House
	Jent to House
Engrossing Clerk 🖊	Mardi alyme
APR 2 1 2005	Received from the Senate
APR 2 9 2005	Read first time and referred to Committee on Border and International Affairs
MAY 1 8 2005	Reported favorably (as substituted)
MAY 2 0 2005	Sent to Committee on (Calculate) (Local & Consent Calendars)
MAY 2 5 2005	
	Read second time (commonded); passed to third reading (feiled) by a (non-record vote) (record vote),
· · · · · · · · · · · · · · · · · · ·	Constitutional rule requiring bills to be read on three several days suspended (failed to suspend) by a vote of yeas, present, not voting.
MAY 2 5 2005	Read third time (amendal); finally passed (failed to pass) by a (non-record vote) (record vote and passed (failed to pass) by a (non-record vote)
MAY 2 5 2005	Returned to Senate.
	William to Senate.
MAY 2 5 2005	CHIEF CLERK OF THE HOUSE Returned from House without amendment.
	Returned from House with amendments.
	Concurred in House amendments by a viva voce vote yeas, nays.

		Refused to concur in House amendments and requoto adjust the differences.	uested the appo	ointment of a Confe	erence Committee
*PANI		Senate conferees instructed.		•	
		Senate conferees appointed:		, Chairman;	
		•		, and	
	<del></del>	House granted Senate request. House conferees a			
		Conference Committee Report read and filed with	n the Secretary	of the Senate.	
		Conference Committee Report adopted on the par	rt of the House	e by:	A CONTRACTOR OF THE CONTRACTOR
		{ a viva	voce vote yeas,	nays	
	10 <sup>4</sup> h 11111	Conference Committee Report adopted on the par	rt of the Senate	e by:	и. ,
4.1		a viva	voce voteyeas,	nays	
OTHER A	ACT]	ON:			
		Recommitted to Conference Committee			
<b>N</b> ***		Conferees discharged.			
		Conference Committee Report failed of adoption	by:	· · · · · · · · · · · · · · · · · · ·	
	05 MAY 20 AM 12: 18	a viva	voce vote yeas,	nays	